Investigating the use of e-commerce to empower South African women

AM Stander
20087260

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Supervisor: Prof SP van der Merwe

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ABSTRACT

South Africa is falling behind its African counterparts with a decreasing GDP and ascending unemployment rate. Almost a third of South African women were unemployed in 2013. Even though the female population exceeds the male population, less than half of them are entrepreneurial. The financial divide between men and women creates a need for women entrepreneurship to remedy the economical imbalance.

E-commerce can empower entrepreneurs in small businesses in developing countries and can potentially level the gender divide. E-commerce includes all services and transactions or auctions taking place online.

The literature review includes information regarding women entrepreneurship and the use of ICTs, as well as e-commerce for developing countries. It looks at demographic and socio-economic circumstances, infrastructure and personality types. The literature shows that by encouraging female entrepreneurship, poverty can be reduced and this can provide economic upliftment for the entrepreneur and her community. E-commerce is growing worldwide and this sector holds many benefits for female entrepreneurs.

The objective of this study was to investigate how South African women are utilising the Internet to earn an income. It therefore investigated which factors influence e-commerce adoption. The study also researched the benefits, challenges, opportunities and success factors of e-commerce.

This qualitative study interviewed a total number of 22 women entrepreneurs with the majority of them situated in Gauteng and Cape Town. These women were generally between the ages of 28 and 36, mostly white, and from middle- and upper class backgrounds.

The empirical evidence showed that there are various ways in which women can earn money online. Most of the women operated a small online store, selling home-ware, decor, jewellery, shoes, furniture, art and wedding accessories. Some of them

sold their services online and others operated a blog, which earned advertising revenue.

This study found that many South African women were also utilising the Internet to empower themselves and a number of opportunities for job creation exists.

This study further revealed that a great deal could be learnt online. A new type of entrepreneur is emerging due to the numerous affordable online tools and growing social media platforms. This holds potential for e-commerce and empowerment in the future of South Africa. The research shows that e-commerce is probably more accessible than previously perceived.

This paper offers recommendations on the acceleration of e-commerce for income generation among South African women. Ideas include: teaching self-confidence; using internships to nurture skills-development; creating mentorship networks; encouraging entrepreneurship in affluent areas; making Internet and data cheaper and more accessible; creating working hubs within rural communities; and focusing on mobile commerce opportunities.

Various opportunities were revealed for future research, such as developing self-confidence as a driver for entrepreneurship among women; culture and e-commerce; online learning as a solution to education deficits; and e-commerce versus mobile commerce in developing countries.

Keywords: women entrepreneurship, e-commerce, online commerce, e-tailing; SMMEs, women empowerment.

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LIST OF ABBREVIATIONS

B2B	Business-to-Business
B2C	Business-to-Customer
CAQDAS	Computer-assisted Qualitative Data Analysis Software
CCDI	Cape Craft and Design Institute
C2C	Customer-to-Customer (C2C)
EFT	Electronic Funds Transfer
GDP	Gross Domestic Product
ICT	Internet Communication Technologies
LSM	Living Standard's Measure
POP	Proof of Payment
SARS	South African Revenue Service
SEO	Search Engine Optimisation
SMME	Small to Medium Enterprise
URL	Uniform Resource Locator

CHAPTER 1
NATURE AND SCOPE OF THE STUDY

1.1 INTRODUCTION

“Everyone can rise above their circumstances and achieve success if they are dedicated to, and passionate about what they do ... Money won’t create success, the freedom to make it will.” Nelson Mandela.

The African continent is bursting with economic opportunity, with a rising real Gross Domestic Product (GDP) of 4.9% (Herrington & Kew, 2013:19). South Africa however, is falling behind with a decreasing GDP (2.3% in 2013 versus 1.5% in 2014) and a soaring unemployment rate of 25% (Herrington *et al.*, 2014:19). In 2013, almost a third of South African women were unemployed, with men across all populations earning more than women (Herrington & Kew, 2013:10). According to the 2011 census, a total of 27% of women were living in households earning less than R325 per month compared to 15.6% of men (Lehohla, 2011:48). The number of South African women not living up to their true potential creates a need for finding solutions to remedy the economical imbalance (Herrington & Kew, 2013:10).

Kartiwi and Gunawan (2013:1) argue that only small and medium-sized businesses (SMMEs) offer realistic employment solutions for lower-income women in developing countries. According to Duncombe, Heeks, Kintu, Nakangu and Abraham (2005:2), small and medium enterprises provide over 90% of developing nations’ employment. Small businesses can thus create wealth, contribute to GDP and even partake in exporting. SMMEs therefore play an important role in poverty reduction (Duncombe, 2005:2).

Entrepreneurial women are important for the modernisation of developing economies, as women are more likely than men to share their wealth with others. This sharing nature is beneficial for society (Lerner, Brush & Hisrich, 1997:315-317).

Malaza (2010:1) in turn stresses the need for research and investment in women entrepreneurship in South Africa.

E-commerce can empower many entrepreneurs in small businesses (Goldstein & O'Connor, 2000:29). According to Molla and Heeks (2007:95), e-commerce holds potential for developing countries. Furthermore, Haque and Bin Quader (2014:66) validate e-commerce as an important driver for gender empowerment in developing countries.

Goldstein and O'Conner (2000:9) describe e-commerce as Internet-based trade with transactions or auctions taking place online. Mirmiran and Shams (2014:81) further define e-commerce as buying or selling online. The Internet allows people to transact globally (Bothma, 2013:36). According to Statistics South Africa, computer services and activities contributed a mere 0.2% to the GDP in 2012 (Lehohla, 2012:11). Molla and Heeks (2007:105) also find that businesses in South Africa are not yet realising the benefits of e-commerce.

The aim of this study is to investigate how women entrepreneurs in South Africa are utilising e-commerce as a source of income for their small enterprises. It looks at the challenges faced by these women, as well as the benefits of making use of e-commerce. It furthermore looks at the resources needed for entering into e-commerce and the most prevalent industries and personality attributes, as well as the historical background and socio-economic influences. Opportunities and success factors of e-commerce is investigated. Finally, suggestions on ways of accelerating the use of e-commerce for income generation by women entrepreneurs are made.

Before continuing with the study overview, a few definitions are given to clarify the research constructs. Thereafter a few paragraphs elucidate the problem statement, the primary and secondary objectives as well as the scope of the study. The scope of the study comprises of the field of study as well as the geographical demarcation of the research.

This chapter furthermore describes the research methodology, which includes the research framework and the literature review objectives. An overview of the empirical

research is presented and includes the proposed research instrument, research participant description, operational definitions as well as data gathering and analysis. This chapter concludes with limitations of the study and the layout of the proceeding paper.

1.2 DEFINITIONS

This section provides a definition for the following: women entrepreneurship, small to medium enterprise, information and communication technologies and e-commerce. The remainder of the document will refer to the above terms as contained within these definitions.

1.2.1 Defining woman entrepreneurship

A woman entrepreneur refers to a female “who organises, manages and assumes the risks of a business or enterprise” (Mirriam-Webster Dictionary, 2015). According to Buttner and Moore (1997:38), a female entrepreneur is a woman who initiated a business, holds at least 50% shares and who actively manages the business.

1.2.2 Defining SMMEs

A micro or small to medium enterprise (SMME) is classified as a micro-, a very small, a small or a medium enterprise who generally have less than 200 employees and an annual turnover of less than R25 million (National Small Business Act 29 of 1996:2,15&16).

1.2.3 Defining ICTs

Information and communication technologies (ICTs) is described as goods, applications and services used to produce-, distribute-, process- and transform information (Ruhode, 2011:vii). ICTs include technology for broadcasting, satellites, computer technology and the Internet.

1.2.4 Defining e-commerce

E-commerce is a combination of “technology, infrastructure, processes and products” as it fuses telecommunications, online payment systems and distribution channels (Mann, Eckert & Knight, 2000:9).

Mirmiran and Shams (2014:81) define e-commerce as online financial transactions conducted by businesses, individuals or governments through computer networks (Duncombe *et al.*, 2005:2) or more commonly, buying and selling via the Internet.

According to Maier and Nair-Reichert (2008:48) and Migiro and Adigun (2005:68), e-commerce is also known as e-business or e-tailing. E-businesses operate online and provide added value services in a virtual world (Migiro & Adigun, 2005:68) by adding speed, convenience and flexibility (Duncombe *et al.,* 2005:2).

E-commerce includes Business-to-Business (B2B), Business-to-Customer (B2C) and Customer-to-Customer (C2C) transactions (Mirmiran & Shams, 2014:81; Maier & Nair-Reichert, 2008:44).

1.2.5 Operational definitions

Within this research document the term e-commerce will be used with all references to Internet or online transactions. This includes B2B, B2C and C2C transactions (Mirmiran & Shams, 2014:81) taking place online as defined above. These transactions include income from advertising such as online banners or paid editorials on blogs.

The term woman entrepreneur or women entrepreneurs will be used to refer to all women who own and manage an online store or an income-generating blog. This includes informal or sideline businesses. Additionally, the research will focus on micro, small and medium sized enterprises as defined above. Throughout this paper, when referring to entrepreneurs with online businesses, the word e-trepreneur may be substituted for entrepreneur.

1.3 PROBLEM STATEMENT

Entrepreneurial activity in South Africa is 7.72% for males and 6.29% for females (Herrington, Kew & Kew, 2014:29). Even though the female population exceeds the male population, fewer women are entrepreneurial than males (Malaza, 2010:i). Education, literacy and financial status are also unequally distributed (Fatoki, 2014:184).

Crime, together with education and health challenges, has a detrimental effect on the economy and self-employment (Cichello, Almeleh, Ncube, & Oosthuizen, 2012:2). The lack of jobs and escalating crime rate as well as corruption, ultimately takes away the freedom that the new democracy promised (Turton & Herrington, 2012:80). According to Spinelli and Adams (2012:5), eternal peace can only exist in populations that overcome impoverishment.

Ilmakunnas and Topi (1999:300) mention that unemployment should contribute to more entrepreneurship. Additionally, Stevenson and Jarillo (1990:20) state that entrepreneurial behaviour is derived from personal motivations based on environmental factors. Unfortunately, people who are pushed into entrepreneurship (necessity-driven) are less likely to be successful than those who are pulled (opportunity-driven) (Kirkwood, 2009:346).

South Africa thus needs sustainable investment in entrepreneurship to fight unemployment (Malaza, 2010:1). Finding or creating the right opportunities and presenting them, might drive more and more people, especially women, to become entrepreneurs (Malaza, 2010:3). Baglari (2014:81) asserts the importance of woman empowerment by activating their participation in society, thereby diminishing poverty.

Although countless South African women are beginning to empower themselves by tapping the free source of information provided by ICTs (Ruhode, 2011:85), there is still greater power in e-commerce than currently realised (Kartiwi & Gunawan, 2013:4). This notion contributes towards the aim of this study.

Given the unemployment rate, it is important to investigate all opportunities for *how* (the way in which) South African women can empower themselves (Herrington & Kew, 2013:10), even in rural communities. When arguing for women empowerment–especially those who are unemployed–education deficits, lack of knowledge and exposure as well as poor infrastructure must be taken into account. This study therefore investigates whether the use of e-commerce is indeed a sustainable solution to women empowerment and what needs to be done to create an environment where women can empower themselves through e-commerce.

1.4 OBJECTIVES OF THE STUDY

This study has three primary objectives that filter into six secondary objectives pertaining to e-commerce for women empowerment in South Africa.

1.4.1 Primary objective

The primary objective of this study is to investigate the use of e-commerce for income generation among South African women entrepreneurs. In other words, *how* women are utilising e-commerce to earn an income.

Secondly, to find out which factors influence e-commerce adoption.

Thirdly, to determine if e-commerce is indeed a viable opportunity for income generation among unemployed women.

1.4.2 Secondary objectives

In order to deal with the primary objective, the following secondary objectives must be addressed:

- To obtain insight into the use of e-commerce among women entrepreneurs by means of a literature study.
- To examine how the availability and access to resources; demographics and geographical location; historical background; socio-economic situations;

personality traits and industry types influence the use of e-commerce in South Africa.

- To investigate the perceived challenges and potential benefits of e-commerce faced by women entrepreneurs in South Africa.
- To investigate the success factors of e-commerce.
- To measure the opportunity of e-commerce for unemployed women.
- To suggest ways of accelerating the use of e-commerce to facilitate women empowerment based on the research findings.

1.5 SCOPE OF THE STUDY

The scope of the study is divided between the field of the study, the nature of the population as well as the geographical demarcation of the study.

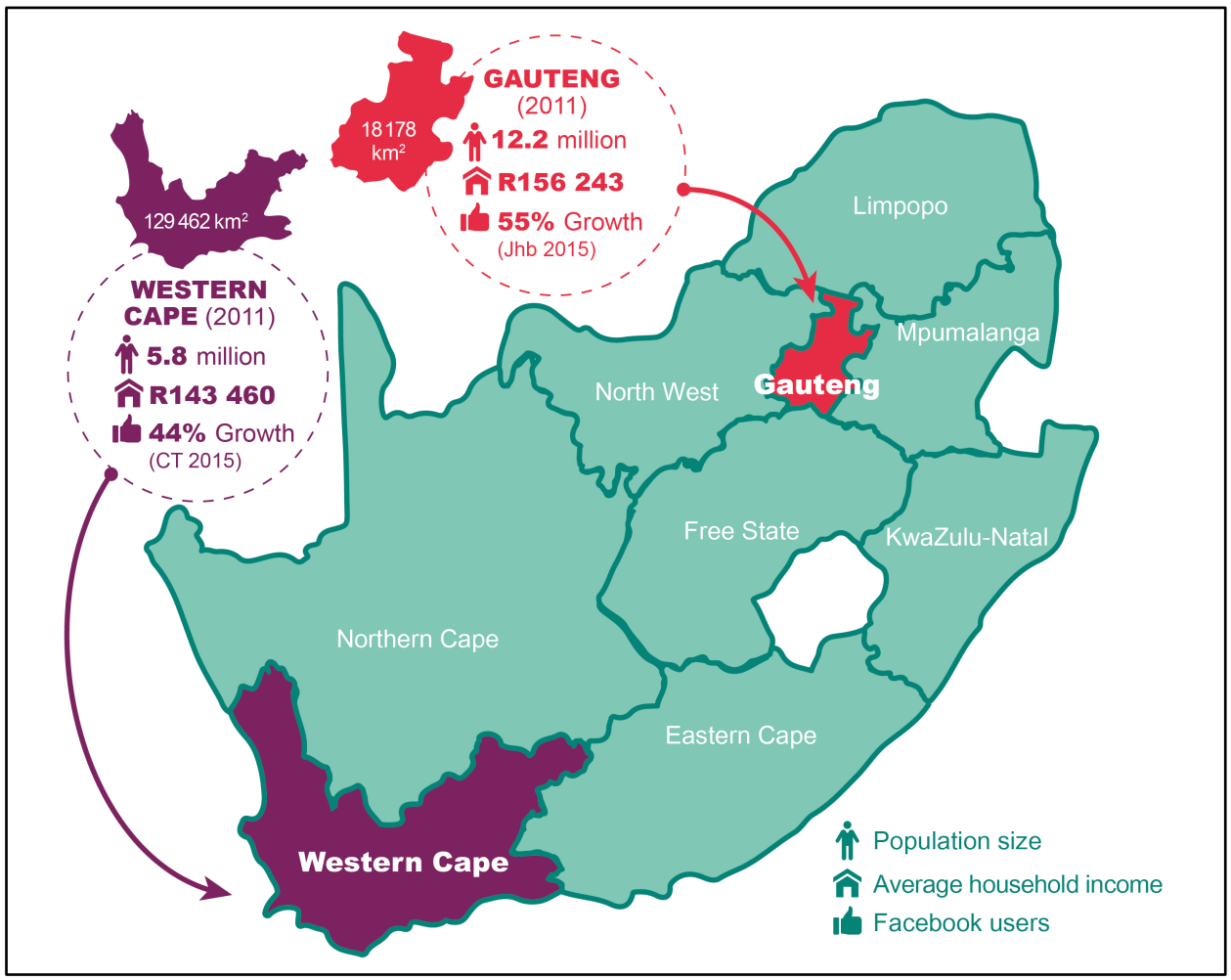
1.5.1 Field of the study

The subject discipline encompassed in this study is primarily focused on women entrepreneurship. Demographic, geographic, historical background and socio-economic circumstances are investigated in addition to behavioural aspects such as personality traits and industry type. This will determine which factors influence e-commerce adoption and in which regions or demographic scenarios it is more prevalent.

1.5.2 Geographical demarcation of the study

The empirical research was conducted in South Africa with the majority of participants situated in the Gauteng and Western Cape provinces. Figure 1.1 outlines the geographical location of Gauteng and the Western Cape within South Africa. It further contains a graphical summary of the 2011 census statistics as provided by Statistics South Africa. As seen from the graphic, Gauteng is South Africa's most populace province (Statistics South Africa, 2012:14).

Figure 1.1 Geographic location of the study within South Africa



Source: Created by the author–adapted from the South African 2011 Census (Statistics South Africa, 2011).

Although Gauteng takes up only 1.4% of South African soil, it has the highest population, as well as the highest average annual household income of R156 243 (Statistics South Africa, 2011:40).

Johannesburg, the biggest city in Gauteng, is considered the economic hub of South Africa (South Africa info, 2013). According to a PWC report (Cleal, Balu & Cawood, 2015), Johannesburg ranks third in being the best city to do business in Africa. According to Statistics South Africa (2011:46), Gauteng had a 25% unemployment rate in 2011. However, the proportion of households in this province with computers increased from 8.5% to 21% between 2001 and 2011. Additionally, 35% of the Gauteng population has access to the Internet from their cellular phones, homes and

offices (Statistics South Africa, 2011:63). Based on this, one would thus expect a large e-commerce industry to exist in Gauteng.

The Western Cape consists of 129 462 square kilometres–taking up 10.6% of the land mass. The Western Cape population however, is less than that of Gauteng. Nonetheless, this region has the second highest annual household income of R143 460 (Statistics South Africa, 2011:40).

According to Chibba (2014), Capetonians are 65% more entrepreneurial than the rest of the country. Moreover, an estimated 75% of businesses in Cape Town are SMEs. The city's 18 to 64 year olds are 190% more likely to start businesses than the rest of the country. Chibba (2014) further claims that Cape Town, also known as "Silicon Cape", is turning into the "ICT and innovation hub of South Africa".

According to a World Wide Worx report on the South African Social Media Landscape of 2015, *Facebook* has seen the highest growth in users in these economic hubs with 55% growth in Johannesburg, 49% in Pretoria and 44% in Cape Town.

This study is aimed at women entrepreneurs with micro and small to medium-sized (e-commerce) enterprises situated within the above-mentioned regions.

1.6 RESEARCH METHODOLOGY

This research takes a qualitative approach to explore how women in South Africa are utilising e-commerce. The research comprises of three stages: abduction, deduction and induction (Reichertz, 2014:131). It is driven by the hypothesis that unemployed South African woman can be empowered by e-commerce (abduction). The study first makes use of a literature review to investigate how and why women entrepreneurs are utilising e-commerce. Deduction takes place in the form of predictions made based on literature and sets the background for the research framework. Finally induction takes place in the empirical research as interviewees respond to questions

and prompts during interviews set within the qualitative research approach (Reichertz, 2014:131).

The empirical approach seeks to explore how women entrepreneurs are making use of e-commerce in South Africa by investigating the factors that influence e-commerce adoption. These factors include resources, infrastructure, personality types, challenges as well as benefits of e-commerce. The empirical study further investigates the opportunities and success factors for e-commerce before making suggestions on the acceleration of e-commerce in South Africa. This research takes a qualitative approach and is done in the form of interviews as discussed in paragraph 1.6.2.1.

1.6.1 Literature review

The purpose of the literature review is to show the reader what existing literature says about women and e-commerce (Roodt & Fouché, 2004:156). It provides context to the problem, shows why the problem exists and why it needs to be addressed. It further provides academic descriptions for the themes used in order to clarify ambiguous terms. Finally it is used to shape the background for this research in showing where there is a need for further research, and where gaps exist in the literature (Roodt & Fouché, 2004:156).

Existing literature on women entrepreneurship and the use or adoption of e-commerce was reviewed. Various types of literature sources such as publications, journals and dissertations were investigated. The following keywords were used in the literature search: blog, blogshop, connectivity, e-commerce, e-tailing, ICTs, internet, online commerce, micro enterprise, online shops, SMEs, web, Web 2.0, websites, women empowerment, and women entrepreneurship.

During the literature review, women entrepreneurship in South Africa was investigated to provide a short introduction and background. Thereafter women entrepreneurship and the use of ICTs were reviewed. E-commerce as a viable source of income for developing countries was also investigated. The research further looked at women entrepreneurship and e-commerce in general. This included

demographic and socio-economic circumstances, infrastructure and behavioural aspects such as personality types and attitudes, which may influence e-commerce adoption.

Chapter two thus discusses dominant industries that flourish in e-commerce. Certain personality types could be more prone to using e-commerce than others. This Chapter further discusses the relationship between adoption rates of e-commerce and personality types and also reviews existing literature on the benefits of utilising e-commerce for women entrepreneurs. Finally, existing challenges faced by women entrepreneurs regarding e-commerce is listed.

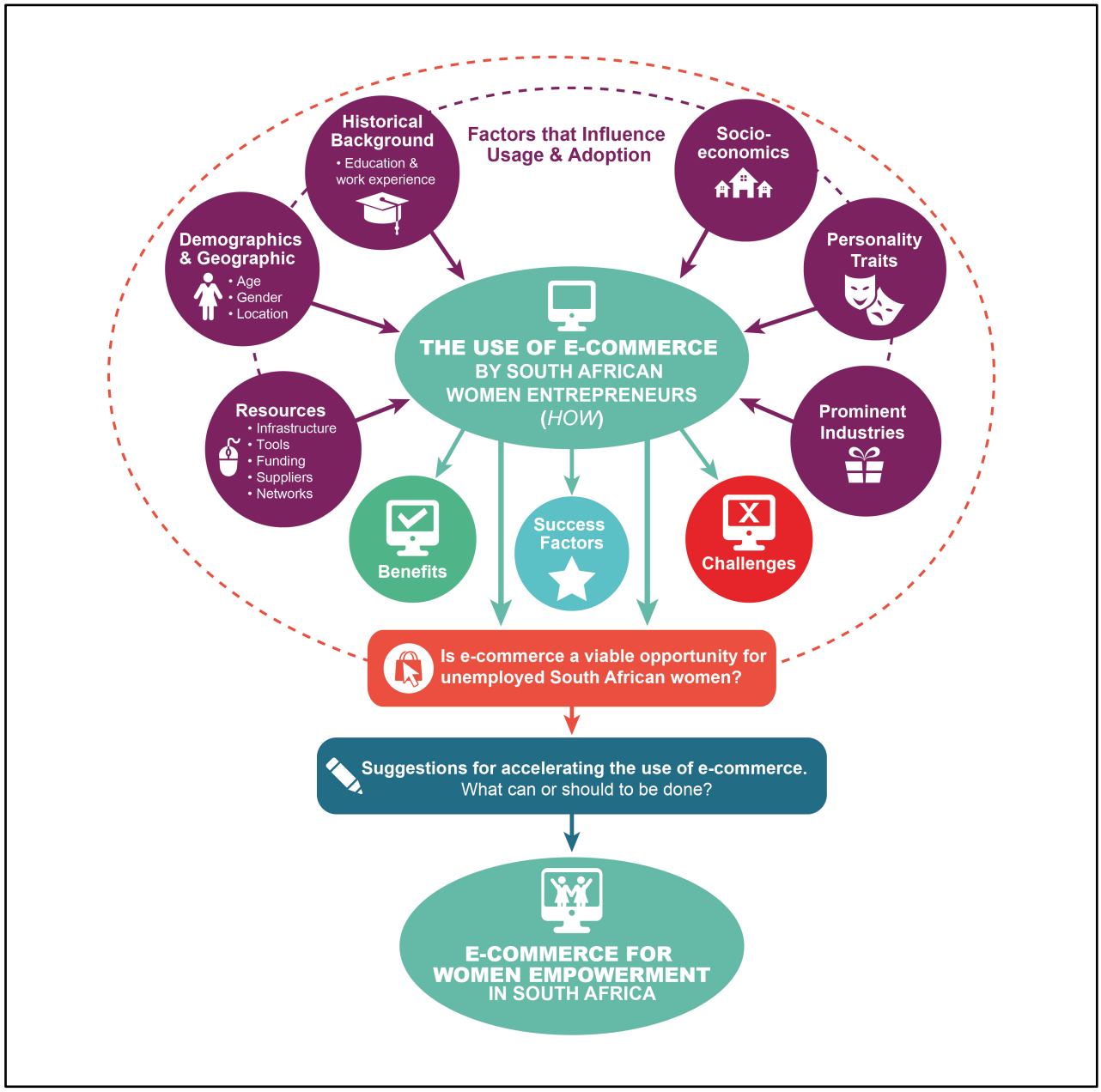
The researcher designed a research framework based on the hypothesis and research objectives as discussed in paragraph 1.4. This framework can be seen on page 12. It was used to create the interview schedule that was used during the interviews. The framework thus serves as the outline of the empirical study and ties back to the literature review.

The research framework illustrated in Figure 1.2 contains an outline of the research conducted. Hypothetically, various factors influence the adoption of e-commerce. These factors include the availability of resources and infrastructure, demographic influences (age, gender and geographic area), historical background (education and work experience), socio-economic influences, personality traits and prominent industry types. All of these factors influence if and how South African women are utilising e-commerce.

Furthermore, benefits and challenges of e-commerce influence the opportunities and viability of e-commerce.

The framework also aims to investigate ideas on the acceleration of e-commerce for women empowerment.

Figure 1.2. Research framework



Source: Created by the researcher.

The search engines used for the literature review are Google Scholar, EbscoHost and Sabinet. The following sources provided further insight into the topic:

- Journal of Business Venturing
- Entrepreneurship Theory and Practice
- Journal of Small Business Management
- International Journal of Advanced Research in Management and Social Sciences
- The Global Entrepreneurship Monitor

- Journal of Small Business and Enterprise Development
- Other journals and written publications
- Dissertations, mini-dissertations and other papers on the subject
- Internet articles
- News articles

1.6.2 Empirical research

The research takes a qualitative research approach, and although an inductive research method known as grounded theory was used to collect and analyse data (Thornberg & Charmaz, 2014:153), it is not considered a pure grounded theory approach. Willig (2014:143) argues that it is impossible to "enter a text without adopting some provisional perspective on it, without posing some initial questions about it and without making some preliminary assumptions about its possible meanings". For this reason the research can be considered as a hermeneutic phenomenological approach because it manifested from existing literature and makes use of preconceived questions during interviews, albeit open-ended and explorative. It thus makes use of empathetic interpretation (Willig, 2014:142) in order to get a collaborative understanding of the participant's world and experiences relating to e-commerce.

The identified population consisted of women entrepreneurs who are using the Internet to earn an income or supplement their salaries. This could be through an e-commerce website, online catalogues, *Facebook* stores or blogs.

1.6.2.1 Research instrument design

The explorative interviews used semi-structured interview schedules as a backdrop for discussion and prompting. These interviews were transcribed and coded several times to develop a range of themes and sub-themes (Barbour, 2009:115).

The interviews investigate how women are utilising e-commerce, which resources, infrastructure and socio-economic factors influence e-commerce adoption and what

type of woman is more likely to use it. This is also measured against attitudes as well as benefits and challenges.

1.6.2.2 Research participants

The study population consisted of women entrepreneurs who sell products online (either on *Facebook* or through a website) or earn an income through advertising via a website or blog. This group formed a single stratum, from which sampling was done (Welman, Kruger & Mitchell, 2012:61). These women represented the primary data source.

A stratified probability sampling method would have been the best sampling method to use because it is the most representative (Welman *et al.*, 2012:61; Saunders, Lewis & Thornhill, 2009:213). However, due to the limited availability of time and access to women entrepreneurs, the research made use of a convenience sample (Welman *et al.*, 2012:70) in the form of purposive sampling (Rapley, 2014:54). Due to time and financial constraints the maximum amount of entrepreneurs the researcher was able to interview were 22. Due to a lack of funds, the researcher chose to transcribe all interviews herself, which also reduced the number of interviews she could do. It is thus unclear whether the study reached saturation as proposed by grounded theory experts Thornberg and Charmaz (2014:153).

1.6.2.3 Gathering of data

The researcher used a semi-structured interview schedule to conduct the research. The interviews were conducted via *Skype*, *Facetime* and phone calls in English and Afrikaans. Furthermore, the interviews were exploratory in nature owing to the fact that it is a relatively new study. Thus, respondents had to give their own opinion on the term “e-commerce for women empowerment” and elaborate on their own businesses and experiences.

1.6.2.4 Data analysis

Data analysis was conducted as proposed by Barbour (2009). Firstly, all interviews were recorded with a digital device and transcribed in a literary fashion (Kowal & O'Connell, 2014:71). Due to the nature of the study no attention was given to prosodic (the way in which words are spoken) and paralinguistic behaviour (non-verbal vocal behaviour). Extra linguistic behaviour (non-vocal bodily movements) was also not included in the transcriptions (Kowal & O'Connell, 2014:66). The transcriptions were coded based on themes and categories using computer-assisted qualitative data analysis software (CAQDAS) known as MaxQDA, version 12 (www.maxqda.com). Using this software, the researcher sorted the data and compared it to consider links and contradictions. The analysis made use of the constant comparative method, which constantly compares interviews with each other as well as with literature (Palmberger & Gingrich, 2014:96). From there, the analysis made use of reflection, memo-writing, rereading, checking and revising–as suggested by Roulston (2014:305)–to explain why patterns or contradictions exist.

1.7 LIMITATIONS OF THE STUDY

Due to the nature of the industry and changes in technology, the research could be outdated within a few years. This change will be favourable however, it will be beneficial if more women empower themselves through e-commerce.

Qualitative research is viewed with skepticism. According to Kowal and O'Connell (2014:64), "written record cannot be accepted uncritically as a reliable source of analysis accurately reflecting the mental, social, affective and cultural components ... it carries inevitable risk of systematic bias". This however, is less of a problem in this study because the study did not take enquiry into any psychological experiences. It did however make note of accentuated words and nuances. Firstly, research findings were measured against literature. To check for this systematic bias, the research findings were shared with the interviewees to ensure that the interpretation was correct. This is known as member checking (Mertens, 2014:511). Some of the

interviewees supplied additional information after member checking or made amendments to the text where they felt it was out of context.

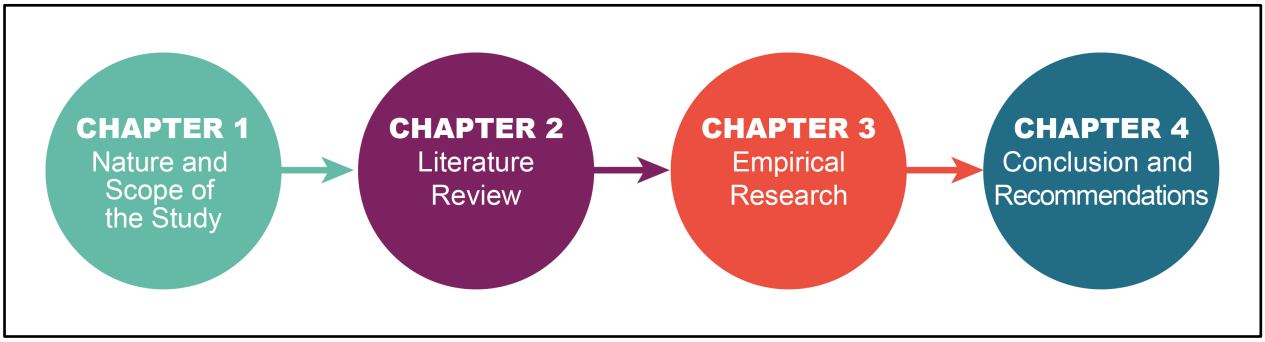
The research sample was small due to the qualitative nature of the study. The limited amount of time may have resulted in an un-saturated study. Conducting a few more interviews could test this assumption. The time pressure could also mean that important candidates could have been left out. This is specifically the case, as many successful e-trepreneurs (online entrepreneurs) who were contacted, simply did not have the time to take part in the study. Their contribution could have been instrumental.

Since this was an explorative study only, it is recommended that the research be extended to a broader sample in future research.

1.8 LAYOUT OF THE STUDY

The research paper consists of four chapters. Please refer to Figure 1.3 for a graphical representation of the study layout.

Figure 1.3 Layout of the study



Source: Created by the researcher.

CHAPTER 1 NATURE AND SCOPE OF THE STUDY

Chapter one orientates the reader as to the nature and the scope of the study. It consists of an introduction, problem statement, objectives and scope of the study, research methodology and limitations of the study.

CHAPTER 2 LITERATURE REVIEW

The literature review introduces the reader to the topic of women entrepreneurship and e-commerce. It examines key concepts and provides background to the nature of the study field and the need for further examination. This section reviews existing literature on women entrepreneurship globally and in South Africa and provides insights, characteristics and descriptions. Chapter two also supports the design of the study and research instrument from an academic perspective and reviews literature concerning e-commerce challenges. This chapter also investigates e-commerce benefits such as cost reduction, customer service and access to bigger markets.

CHAPTER 3 RESULTS AND DISCUSSION OF THE EMPIRICAL STUDY

Chapter three discusses the methodology used and describes the research model and data capturing (interview). This section also explains the nature of the research participants. It further interprets the data and describes the analysis and results of the study. Chapter three further discusses the sampling techniques.

CHAPTER 4 CONCLUSION AND RECOMMENDATIONS

Chapter four provides a summary of the research findings and makes conclusions about the research problem. Based on the results from the empirical section and the literature study, recommendations are made as to how e-commerce can be utilised to empower women. This section discusses the limitations such as representation and population size, as well as effectiveness of the research instrument and makes recommendations for future research.

CHAPTER 2
LITERATURE REVIEW

2.1 INTRODUCTION

Globally, women are still undervalued in roles of management and ownership (Bahramitash & Esfahani, 2014:304). They also earn less than men (Goyal, 2011:1). According to Haveman, Broschak and Cohen (2009:120&140), women tend to occupy lower-level jobs, work in smaller organisations and are "overrepresented in lower-level managerial positions". This indicates that in business, both in good and bad times, women are still worse off than men.

Women often move from full-time to part-time careers and times of inactivity when rearing children, which results in reduced earnings (Kelley, Brush, Greene & Litovsky, 2013:11). This leads to a snowballing effect of negative self-reinforcement. Women begin to believe that they deserve to earn less than men and are thus willing to work for lower wages. A self-fulfilling prophecy starts to take shape (Goyal, 2011:19). Kelley *et al.* (2013:11) show that women are less likely than men to believe in their entrepreneurial capabilities.

In many developing countries, women start their own businesses to overcome poverty, segregation and underrepresentation. In many instances, the aforementioned issues lead to high potential businesses (Kelley *et al.*, 2013:11). In South Africa, economic growth and poverty eradication are two of the country's most significant priorities (Rhodes, 2009:49).

Socio-economic development depends heavily on education and CT-driven business initiatives (Rhodes, 2009:49). According to Goyal (2011:26), the Internet has indeed promoted self-employment and women entrepreneurship; nonetheless the gap between men and women in developing countries still exists (Huyer & Carr, 2002:87).

Minimising the ICT divide could close the gender divide on economic and social levels (Andersson, Raihan, Rivera, Sulaiman, Tandon & Welter, 2007:55). Ukpere,

Slabbert and Ukpere (2014:557) agree that technology has the potential to spur women entrepreneurship globally but argue that this market opportunity has not yet been realised.

Goyal (2006:2) argues how training and innovation may revert the problems of negative self-reinforcement. Herrington *et al.* (2014:30) maintain that education can positively influence self-efficacy or self-confidence and in turn, promote entrepreneurship and the ability to guide businesses through ever-changing competitive environments.

According to Migiro and Adigun (2005:67), the Internet can close the gap between large enterprises and SMEs by providing information and educational opportunities not previously available (Migiro & Adigun, 2005:67). It is vital for women entrepreneurs to master technology in the form of the Internet and social media (Ukpere *et al.,* 2014:557).

Consequently, female entrepreneurship is not only necessary for poverty reduction, but can also enhance women's self-confidence and independence (Goyal, 2006:2; Herrington *et al.,* 2014:30; Kelley *et al.*, 2013:11). Female entrepreneurship encouragement in general is crucial because it not only provides economic upliftment for the entrepreneur herself, but also for the women she employs (Bahramitash & Esfahani, 2014:294). Women outside rural areas with access to resources and infrastructure can help create jobs for women within these areas. Thus, encouraging entrepreneurship and e-commerce among all South African women could potentially lead to the empowerment of more unemployed women.

The following paragraphs examine literature on entrepreneurship for women empowerment and investigate how female entrepreneurship can reduce poverty. This section is divided into a global perspective on woman entrepreneurship as well as women entrepreneurship in South Africa. Thereafter the chapter explores the use of e-commerce for women empowerment and e-commerce in developing countries. The literature review contains further insights into ICT and e-commerce benefits as well as socio-economic, societal, historical and demographical influences that affect e-commerce adoption. Several paragraphs on the required infrastructure and

resources needed, as well as industries in e-commerce follow. Chapter two concludes with an investigation of women and e-commerce, personality traits, e-commerce in South Africa and finally e-commerce challenges.

2.2 ENTREPRENEURSHIP FOR WOMEN EMPOWERMENT

Encouraging female entrepreneurship can reduce poverty (Goyal, 2006:2; Herrington *et al.,* 2014:30; Kelley *et al.*, 2013:11) and can further provide economic upliftment for the entrepreneur and her community (Bahramitash & Esfahani, 2014:294). Although e-commerce is just one of the various avenues that women entrepreneurs can follow to empower themselves, it is still a young industry in South Africa. An examination of women entrepreneurship (in general) is required to understand the complexities of this industry and its challenges. Consequently, this section starts with a discussion of women entrepreneurship on a global scale and then takes a closer look at women entrepreneurship in South Africa.

2.2.1 Women entrepreneurship globally

There are approximately 48 million women entrepreneurs globally (Kelley *et al.*, 2013:6). Developed Europe has the highest levels of opportunity-driven women entrepreneurs. This means that in Europe, more people start businesses out of an opportunity, such as seeing a gap in the market. Sub Saharan Africa however, still has high levels of necessity-driven entrepreneurs. Necessity-driven entrepreneurs are forced into entrepreneurship due to high levels of unemployment and poverty (Herrington *et al.*, 2014:25). Consequently, Panama, Thailand, Ghana, Ecuador, Nigeria, Mexico and Uganda actually show an equal or higher entrepreneurial participation for women than men (Kelley *et al.*, 2013:9).

Ukpere *et al.* (2014:553) claim that women entrepreneurs will often seek entrepreneurship ventures in activities they are passionate about. However, women entrepreneurs face many challenges, especially in developing countries where social constraints still force traditional roles onto women, prohibiting them from entering the business world (Sivakumar & Sarkar, 2012:28). Many cultural and social

expectations continue to govern women's tendencies to fulfill only certain positions in a limited number of industries (Kelley *et al.,* 2013:6; Maier & Nair-Reichert, 2008:46).

Some countries or religions still expect women to carry out only domestic responsibilities and raise children (Lerner *et al.,* 1997:318). According to Noor (2004:391), work-family conflict is higher for women than men because most women who work are still primarily responsible for family-care. This conflict is associated with lower levels of psychological wellbeing and life satisfaction (Noor, 2004:391). Family orientation and having children thus drive many women to become entrepreneurs (De Martino & Barbato, 2003:816). Wealth creation and career advancement are less of a priority for these women. They choose entrepreneurship specifically because of the higher degree of flexibility and balance it offers compared to corporate careers (De Martino & Barbato, 2003:830).

Unfortunately, many view entrepreneurship as a masculine trait. For this reason, societal perceptions still hinder economic growth (Kirkwood, 2009:347). In Saudi-Arabia for example, women are forced to have male representatives who manage their businesses, which leads to many accounts of fraud and corruption (Sivakumar & Sarkar, 2012:29).

Since numerous women entrepreneurs have to manage their families, they are often restricted to grow their businesses. Many of these families consist of minimum five people (Kelley *et al*., 2013:6-10).

Women often run one-woman operations. This reduces growth opportunities, as they cannot share ideas, abilities or resources with business partners. For economies to benefit, women need to engage with and include others in their ventures (Kelley *et al*., 2013:6-10).

It seems that numerous women struggle to move from one entrepreneurial phase to another, which results in few of them continuing or sustaining their business on a long-term basis. However, when the required involvement in her business is reduced, a woman can be more involved in her family role (Shelton, 2006:292).

E-commerce can alleviate some of the issues mentioned above. Tandon (2007:55) argues that small-business woman entrepreneurs can be empowered through the Web as it provides many advantages above brick and mortar businesses. Maier and Nair-Reichert (2008:48) also mentions the vast support for e-commerce as an enabler for women empowerment in developing nations.

Kshetri (2007:443) points out that e-commerce could add even higher value to businesses in developing nations compared to the first world. The Internet especially, has provided developing countries with opportunities for economic development by creating a "virtual world" of idea sharing and business solutions (Lantican, 2002:57).

The literature review on woman entrepreneurship globally points out various socio-economic factors that still hinder women entrepreneurship. Family plays an inseparable role in a mother's career. This often influences her entrepreneurial behaviour. Various literature sources show how the Internet can minimise the gap between a woman's career and family responsibilities. The proceeding paragraphs look at women entrepreneurship within South Africa.

2.2.2 Women entrepreneurship in South Africa

Entrepreneurship in South Africa has decreased by 34% since 2013 and even the high unemployment rate is not motivating people to become entrepreneurs (Herrington, Kew and Kew, 2014:5). However, thanks to government support, there has been an increase in women entrepreneurship. New restructuring policies within organisations have also lead to increased participation of women in business (Botha, 2006:116). Opportunity-driven female entrepreneurs have increased from 64% in 2013 to 71% in 2014 (Herrington *et al.,* 2014:29). This is promising for sustainability. South Africa thus shows an increase in women partaking in mainstream economic activities.

Owing to the emerging information society, various opportunities present themselves to women to independently start their own businesses without the need for male support (Ruhode, 2011:1). This is an important step towards empowering women in South Africa. Nevertheless, there are still several obstacles faced by women

entrepreneurs. These include a lack of role models; a lack of information and business management skills; family-work-balance conflicts; isolation from business networks; lack of time for training; family pressures; financial problems and lack of peer respect (Malaza, 2010:76).

In addition, both male and female South African businesses-owners face several other challenges as stated in the Global Competitive Report 2014-2015. These challenges include inefficient government spending; security issues; an unskilled labour force; restrictive labour regulations and inadequate education (Schwab, 2014:39).

According to Herrington *et al.* (2014:34), education is inseparable from entrepreneurship as it "influences confidence in the ability to start a business, and to understand financial and business issues". The Sub-Saharan Africa sector has the lowest levels of education (Kelley *et al.*, 2013:8). South Africa ranked last in terms of primary and secondary education. The school system produces ill-prepared, un-trainable employees, which paints a devastating picture for entrepreneurship (Herrington *et al*, 2014:35).

The health of the workforce, which ranked 132nd out of 144 economies, is also worrisome. South Africa has high levels of contagious diseases and low health in general (Schwab, 2014:39).

Another concern is South Africa's problematic supply of electricity and the deteriorating effect it will have on the sustainability of SMEs. Eskom's inability to meet the electricity demand has lead to weekly scheduled load shedding (Kumo, Omilola & Minsat, 2015:4). This could potentially harm e-commerce businesses and reduce e-commerce opportunities for South African women.

The literature on women entrepreneurship in South Africa indicates an increase in female entrepreneurship and opportunity-driven businesses, which shows promise for entrepreneurial sustainability. Regardless of various opportunities offered by emerging technology, South Africans face various obstacles regarding access, skills, labour, education and infrastructure.

2.3 E-COMMERCE FOR WOMEN EMPOWERMENT

Greater opportunities exist for e-commerce than is currently exploited (Kartiwi & Gunawan, 2013:4) regardless of the fact that many South African women are beginning to tap the benefits provided by ICTs (Ruhode, 2011:85). This section provides an investigation into e-commerce as an opportunity for developing countries. It investigates the benefits of e-commerce as well as the various factors that influence adoption such as socio-political and economic factors, gender, historical background influences and required resources and infrastructure. The literature review further investigates women and e-commerce, e-commerce in South Africa and concludes with the challenges of e-commerce.

2.3.1 E-commerce: an opportunity for developing countries

As the fastest growing communications medium (Huyer & Carr, 2002:89), the Internet holds real opportunities for developing countries. These countries can participate in previously restricted markets owing to the fact that the Internet reduces trade obstacles and increases efficiency as well as market access (Shafie, Nayan, Mansor, Maesin, Mahadi and Fadzillah 2011:1). In fact, e-business has the opportunity to reinvent and disrupt existing industry procedures and practices (Migiro & Adigun, 2005:69).

According to Kshetri (2007:443), e-commerce could add even higher value to businesses in developing nations than it can offer first world countries. For example, Goldstein and O'Conner (2000:14) point to growing evidence that shows the remarkable potential of business-to-consumer e-commerce applications in developing sectors, with special reference to artisans in low-tech industries.

According to Duggan, Ellison, Lampe, Lenhart and Madden (2014:2), more and more adults are becoming active on the Internet, with 56% of adults in the USA being active on *Facebook*. Furthermore, 70% of Americans engage with *Facebook* several times a day. This shows positive promise for e-commerce taking place through *Facebook* stores. Goyal (2011:26) notes that since 2002, more American women were recorded as Internet users than men. She claims that this holds a promising

future for other countries with regards to online entrepreneurship.

In South Africa, *Facebook* is the most popular social media platform. According to Arthur Goldstruck from World Wide Worx, 5.6-million *Facebook* users in South Africa are female. This number is the same for women and men and totals up to 22% of the total population (Word Wide Worx, 2015). This research also determined that from the 11.8 million South African *Facebook* users, 8.8 million access *Facebook* on their cellular phones.

Other examples of income-providing online applications include *YouTube* videos, content-driven websites or *blogshops*. Shafie *et al.* (2011:1) describe *blogshops* as popular sites used for trading goods and providing personalised service to customers. These entrepreneurs often make use of free blogging platforms such as *Blogger, Tumblr* or *WordPress*. South Africa has an active *YouTube* user base of 7.2 million people (World Wide Worx, 2015).

Developments such as national and international fibre-optic networks and payment solutions are allowing more and more companies to sell online. This is supported by new applications and online platforms and services, which makes e-commerce more attainable (UNCTAD, 2015:3-4).

Online shopping is gaining popularity as more than 1 billion Internet users worldwide have purchased goods online. The total amount of online shoppers grew by more than 100 million from 2011 to 2012 and continued sales growth is expected. The web opens up a global marketplace, which paints a promising picture for e-commerce (Goldstein & O'Connor, 2000:16) especially as more and more consumers become ready to buy online (UNCTAD, 2015:4).

The barriers are larger for small and micro-enterprises when it comes to e-commerce adoption, especially due to a lack of skills. However, a number of third-party online applications have recently been developed that provide entrepreneurs with cost effective and user-friendly platforms to sell their products online. E-commerce websites and applications often include payment, shipping and delivery services. *Elancer.com* for example, allows professionals in developing countries to provide

their services internationally (UNCTAD, 2015:46). These types of solutions offer many benefits to entrepreneurs in terms of cost, time and required skill savings (UNCTAD, 2015:48).

The research on e-commerce for developing countries shows various opportunities for e-commerce, especially in low-tech industries. The growth of *Facebook, YouTube* and blogging holds large potential for e-commerce. New platforms make e-commerce more attainable regardless of skill. The Web further opens up a global market, as more people are buying online.

2.3.2 ICT and e-commerce benefits

Kartiwi and Gunawan (2013:4) show how e-commerce successfully empowers female entrepreneurs across the world, by providing access to bigger markets and being a cost-effective and convenient home-based working solution. These e-commerce benefits encompass all benefits derived from ICTs.

2.3.2.1 ICT benefits

ICTs enable women to work from home, at their own time and pace, while allowing them to care for their families (Ruhode, 2011:vii). It can also enhance self-esteem and confidence by providing access to information, knowledge and free (online) training, thus enabling women to contribute to their communities and the economy (Mirmiran & Shams, 2014:83). ICTs can also increase market efficiency by closing information gaps and improving decision-making (Rhodes, 2009:65). The Internet thus facilitates learning, which can lead to successful e-commerce utilisation.

2.3.2.2 E-commerce benefits

According to Migiro and Adigun (2005:69), effective e-commerce practice will lead to global access and exposure. The Internet enables easy market-entry (lower entry barriers) and enlarged geographical reach, especially for SMMEs (Orbeta, 2007:2; UNCTAD, 2015:2). An SMME with an online presence is more discoverable to both national and international markets and promises higher sophistication, making it

more likely for international companies to enter into business with them. Additionally, reputation and brand recognition becomes more important for e-commerce businesses due to increased global competition (Goldstein & O'Connor, 2000:16-18; Mirmiran & Shams, 2014:83).

Duncome *et al.* (2005:2) explain how e-commerce can give businesses a competitive edge by increasing opportunities and enlarging markets. Furthermore, e-commerce can improve operations or products, enhance traditional business methods and increase efficiency. According to Maier and Nair-Reichert (2008:49), e-businesses that focus on quality, good reputation and public relations, as well as product diversification tend to be more successful.

Producers and suppliers both benefit through e-commerce by being online around the clock; they can update catalogues in real time, deliver personalised offerings, and manage customers or suppliers through "order tracking, self service, information retrieval, and individualized [sic] dialogue" (Orbeta, 2007:15). Rhodes (2009:65) mentions the "ability to store, retrieve, manipulate, aggregate, and disseminate data and information in a cost-effective and efficient way". Ultimately the Web presents businesses with greater supply-chain control and customer relationship management. Additionally, by eliminating the middleman, e-commerce can result in larger revenue margins (Goldstein & O'Connor, 2000:15). Cost savings include reduced transaction and administration cost, travelling cost, more competitive prices, reduced marketing and sales cost and internal savings (Duncombe *et al.,* 2005:3; UNCTAD, 2015:2).

E-commerce encourages specialisation. This means businesses can fine tune their core business and focus on quality instead of quantity (Duncombe *et al.,* 2005:5). E-commerce allows for the customisation of products specific to consumer needs because it enables interaction and direct communication between producers and consumers (Orbeta, 2007:12). This differentiation and mass customisation for individual customers ultimately result in better customer relationships, retension and loyalty (Molla & Heeks, 2007:96). Blogs, for example, permit more direct communication and information and allow for personal feedback and interaction. It is also inexpensive and easy to set up (Shafie *et al.*, 2011:1). Additionally, direct

marketing and information sharing (forming partnerships and alliances) are cheaper online, create better information flow and increase market reach (Maier & Nair-Reichert, 2008:49; Molla & Heeks, 2007:97).

A significant benefit of e-commerce as stated by the information economy report done by the United Nations, UNCTAD (2015:xi), is job creation, which is vital in South Africa.

Duncombe *et al.* (2005:5), Mann *et al.* (2000:69) and Mirmiran and Shams (2014:83) reveal additional e-commerce advantages such as just in time production or ordering; timesaving; reduced errors; improved communication between stakeholders; increased brand awareness; improved customer services and increased innovation or product improvements due to competitor access and customer feedback.

Mirmiran and Shams (2014:84) and Horrigan (2008:ii) mention the following benefits of e-commerce in relation to consumers as opposed to the entrepreneurs. These benefits include: a wider range of cheaper products; better access to products and new distribution channels; timesaving; ease of use; convenience and improved consumer welfare. Today's busy lifestyles and job demands motivate people to do their shopping online from their offices or mobile phones at arbitrary hours (Du Toit, 2013:1).

As indicated by the literature review above, ICTs and e-commerce hold numerous benefits for the consumer as well as the entrepreneur. Apart from offering flexible, home-based working solutions for women, e-commerce can provide small businesses with a competitive edge thanks to increased specialisation and innovation.

Fewer entry barriers allow easy access, while 24-hour operation increases effectiveness and customer relationship management. The literature points out various benefits relating to cost savings, data management and supply chain control, as well as increased customer engagement and loyalty.

2.3.3 E-commerce: socio-economic influences

In developing countries, socio-political barriers prevent e-commerce adoption. Weak legal and regulatory structures and government inefficiencies can influence e-commerce success (UNTCTAD, 2015:xii). Dependence on government contracts (Maier & Nair-Reichert, 2008:53) and unsupportive policies hinder e-commerce development. Many SMMEs for example, struggle to procure merchant accounts (Orbeta, 2007:5).

Poor infrastructure, electricity shortages and inadequate Internet access poses a challenge for many developing countries with regards to e-commerce (Kshetri, 2007:445; Orbeta, 2007:5). In South Africa, citizens face electricity shortages and load shedding on an ongoing basis (Kumo *et al.,* 2015).

Societal conflict prevents some women to flourish in e-commerce as rise in independence among women threatens existing power structures (Maier & Nair-Reichert, 2008:53). In various developing countries, male counterparts feel threatened by women's growing power and often boycott their efforts (Maier & Nair-Reichert, 2008:46). In addition, many people still prefer face-to-face transactions above Internet shopping and this has a huge impact on the usage and adoption rates of e-commerce, especially in developing countries (UNCTAD, 2015:xii).

As indicated above, socio-economical factors pose several obstacles to e-commerce adoption as indicated by the literature.

2.3.4 E-commerce: gender and historical influences

Huyer and Mitter (2003:18) point out several factors that are specific barriers to women's use of ICTs such as their lower levels of literacy, language, cost, geographic location as well as domestic and reproductive duties. Thus e-commerce may be less accessible to women purely because of their gender. Women often struggle to get funding (Haque & Bin Quader, 2014:66; Maier & Nair-Reichert, 2008:46). Since many unemployed women are situated in rural areas (Huyer & Mitter, 2003:18), access to Internet becomes biggest barrier to e-commerce.

The educational policies of the Apartheid era left many black South Africans in a disadvantaged state and although the 1994 elections brought with it massive restructuring, educational reform is still a work in process (Fiske & Ladd, 2004:3). Unfortunately, in many cases, especially in rural public schools, the South African school system is in a dire situation (Herrington *et al.*, 2014:35).

The lack of education, information, skills or know-how and improper training with regards to technology, software and e-commerce are some of the most prevalent factors that influence e-commerce in developing areas (Haque & Bin Quader, 2014:66; Kshetri, 2007:445; Ndubisi & Kahraman, 2005:724; UNCTAD, 2015:xii).

As pointed out above, gender can influence e-commerce adoption. Furthermore, rural women coming from previously disadvantaged backgrounds are negatively affected due to improper education and infrastructure and lack of access.

2.3.5 E-commerce: infrastructure and resources

E-commerce success depends on the environment and infrastructure (Orbeta, 2005:1). Infrastructure includes communication systems such as fixed line and wireless communications (Mann *et al.*, 200:47). The most important resource needed for e-commerce is available and affordable Internet access (UNCTAD, 2015:35). Delivery and distribution services or channels are also essential. Indeed, it is the backbone of all the benefits encapsulated in e-commerce (Mann *et al.*, 200:47).

Various sources list high cost of infrastructure, maintenance, hosting and server fees, Internet supply as well as setup cost as factors that influence e-commerce adoption in developing countries (Duncombe *et al.*, 2005:4; Orbeta, 2005:2). According to UNCTAD (2015:25), barriers to e-commerce in terms of infrastructure include issues such as transport and logistics.

Financial service infrastructure and digital payment systems and services (UNCTAD, 2015:25) are critical due to the pace and international trade component of e-commerce (Mann *et al.,* 2000:57-69). Successful e-commerce further relies on an informative and user-friendly interface with relevant, up-to-date content, enough

search engine optimisation (SEO) to gain prime search relevance (Goldstein & O'Connor, 2000:16) and proper social media news distribution. According to UNCTAD (2015:25), a large component of users in Africa access the Internet from their mobile phones, which means that online stores should be optimised for mobile devices and small screens.

Jennex, Amoroso and Adelakun (2004:280) list the success factors for e-commerce infrastructure in developing nations. The most critical include:

- Sufficient numbers and skilled human resources to meet demand.
- Telecom infrastructure (and Internet access) and modern computers with up-to-date hardware and software.
- A trustworthy website, problem-resolution process and communication system.
- Safe and reliable payment systems.

Business infrastructure attributes such as a business plan, processes and advertising are important but not critical (Jennex *et al.*, 2004:280).

Based on the literature, the most obvious and important resource for e-commerce is an Internet connection. This is followed by proper distribution solutions; safe payment systems; a trustworthy sales platform; SEO skills; skilled staff and effective social media marketing channels.

2.3.6 Industries in e-commerce

According to Kelley *et al.* (2013:8), 50% of women entrepreneurs are active in the consumer sector. Initially, "digitally deliverable products such as stocks, bill payments and software" dominated the online transaction space. However, the ability to market to foreign countries popularised online tourism services and handcrafted product sales (Orbeta, 2007:3). Notably, small businesses seem to benefit largely from e-commerce (UNCTAD, 2015:xi).

Owing to the rise in affluent economies, a new market for traditional arts and crafts has taken shape (Goldstein & O'Connor, 2000:14). Thus, small-business women entrepreneurs such as tailors and crafters can be empowered through the Web

(Tandon, 2007:55). E-commerce allows artisans to advertise and sell products directly to affluent markets by providing images, information, craft and production (Goldstein & O'Connor, 2000:15). Migiro and Adigun's (2005:79) research on ICT adoption amongst arts and crafts SMEs in KwaZulu-Natal, South Africa shows that affordability, literacy and education, business characteristics and presence in foreign markets influence the adoption of e-commerce.

Although business-to-consumer transactions are still significant in e-commerce, there is a sizeable market for selling creative products online (Orbeta, 2007:12). Many freelancers in the fields of Graphic Design, Photography, Copy Writing, Illustration and Web Design are making a living through the Web by selling their skills on sites such as elance.com, freelancer.com and shutterstock.com (UNCTAD, 2015:47).

According to the 2013 South African MasterCard Online Survey, books, CDs and DVDs were the most popular items bought online, followed by home appliances, personal or professional education products, travel bookings and coupons (Webster, 2013).

Women can use cultural emphasis such as child rearing, cooking skills or crafting skills to their advantage and create opportunities for economical empowerment through e-commerce (Maier & Nair-Reichert, 2008:47). In doing so they can empower less fortunate, less educated or previously disadvantaged women by utilising their skills and selling their goods online.

The literature review on e-commerce industries reveal that books, music and travel remain the most popular industries in e-commerce. However, a new market for artisans and creative products is emerging, as various new platforms are available for people in the creative industry to sell their services online.

2.3.7 Women and e-commerce

E-commerce, m-commerce (mobile commerce), online payments and Internet banking provide many women with the opportunity to reach a wider customer base and access to new markets (Ukpere *et al.,* 2014:554). Hiller-Garvey and Aguilar

(2011:28) note how women entrepreneurs in North Africa are realising the benefits of e-commerce thanks to low setup costs. They are maximising opportunities by connecting with their customers through social media. Women are, according to Ukpere *et al.* (2014:553), more empathetic than men and thus have better social skills, which means they are more likely to use social media.

Social media provides various tools for women entrepreneurs to win business by advertising, marketing and attracting clients. Social media is also a powerful facilitator of "community building, reputation-, knowledge- and support management" (Ukpere *et al.*, 2014:552). According to Worral (2014:107), social media can launch innovative ideas and enhance global brand awareness at a rapid pace.

Haque and Bin Quader (2014:66) found that women in Bangladesh who sell their goods via *Facebook* used social networking sites to "exchange information and expand their customer base". Thus, globally, women entrepreneurs are leading the "social media revolution" by utilising the tools provided to create a competitive advantage (Ukpere *et al.,* 2014:554).

North American women entrepreneurs seem to be more open to using social media than males. According to Ukpere *et al.* (2014:553), 48% of women globally, have an e-commerce enabled website, compared to 40% of men. Online dominance seems to give women power to influence the opinions that drive online shopping.

Maier and Nair-Reichert (2008:44) mention how women in India, Peru, Bhutan and Bangladesh utilise their skills such as crafting, weaving, knitting and cooking to create empowerment through e-commerce. In Africa, many women have started informal businesses and gradually turned them into profitable ventures. These women created networking forums that allowed them to interact with like-minded entrepreneurs and possible clients (Ukpere *et al.,* 2014:554).

Based on the above review, e-commerce holds various opportunities, specifically for women thanks to social media platforms and the community building and information sharing capabilities thereof. Women can utilise their inherited skills such as weaving, knitting and cooking to earn an income online.

2.3.8 E-commerce: personality traits

2.3.8.1 Online buyers

Women are more skeptical than men and therefore trust affects them more when shopping online (Rodgers & Harris, 2003:326). This means that online sites aimed at women need to be fully trustworthy. Men are 2.4 times more likely to shop online and find it more convenient compared to females (Awad & Ragowsky, 2008:115). Apparently, women seek additional convenience and emotional connection when buying online (Rodgers & Harris, 2003:322). Women's attitude towards money and their time on the net also seem to impact their online purchases (Yang & Lester, 2005:2087).

2.3.8.2 Women entrepreneurs

Awad and Ragowsky (2008:105) together with Yang and Lester (2005:2087) found that women are more anxious and have fewer computer skills than males. According to Kirkwood (2009:347), there are four key drivers of entrepreneurial motivation in women: a desire for independence (autonomy and control); money; unemployment and family issues.

Kelley *et al.* (2013:11) found that in both developed and developing economies women entrepreneurs are particularly educated (more so than men). This is probably due to the fact that it opens up careers that stimulate their ideas and eliminates the lack of rewards and recognition associated with working for someone else.

Ndubisi and Kahraman (2005:725) put forward the several traits that describe entrepreneurial women: a high need for achievement; a high need for independence; a high need for autonomy; a capability to process information; a preference for a moderate level of risk and low conformity as well as high endurance, innovation and self-esteem. Kelley *et al.* (2013:9) found that women everywhere generally have higher fear of failure than men.

Based on these insights, it seems that women are more skeptical and are therefore

more difficult to attract online. It also shows that women entrepreneurs tend to share various attributes that others lack, such as drive, courage and self-confidence.

2.3.9 E-commerce in South Africa

South Africa had 48.9% Internet users in 2013 (The World Bank, 2015). Half of these people were active online buyers. Internet usage grew by 30% annually (Webster, 2013). Today, more than 6 million South Africans are *Facebook* users (Internet World Stats, 2013) and the daily Internet usage rate stands at 68% (PEW, 2015).

Spagnoletti (2014) states that the Internet contributed R59 billion to the South African GDP in 2013 and this is expected to grow based on the 30% annual e-commerce growth rate (World Wide Worx, 2011). Even higher growth rates are expected for the next five years (Spagnoletti, 2014). This reveals the market opportunities for e-commerce in South Africa.

Figure 2.1 The state of online shopping in South Africa

Source: Webster (2013).

Figure 2.1 displays the findings of a MasterCard online shopping survey conducted in 2013 (Webster, 2013). According to this survey, a total of 90% of South Africans who completed the MasterCard survey are satisfied with their online shopping experiences and half of them are regular online buyers (Webster, 2013).

Convenience of payment, secure payment facilities and product price were the most important factors that influenced their online purchases. Kalahari.com was considered the most popular e-commerce store and 42% of the respondents buy mainly books, CDs and DVDs online (Webster, 2013).

Mobile purchases are still low in South Africa as only 12% of people who access the Internet from their mobile phones purchase through these devices (Webster, 2013).

Ruhode (2011) explores how women in SMEs in the Western Cape are utilising ICTs to empower themselves to overcome economic issues. She finds that many of these women are tapping into social media and business networking sites such as *Facebook, LinkedIn, Flickr, Twitter, Skype* and blogs to market and gain publicity for their products or services and to manage their expenses (Ruhode, 2011:85). She argues however, that women in developing countries have still not yet "embraced technology in their everyday businesses as much as their male counterparts."

Du Toit (2013:78) finds the following reasons why consumers shop online: price, convenience and product variety.

The research above indicates that although e-commerce is still a new concept within South Africa, it is gradually growing thanks to the numerous new social media platforms and trustworthy payment systems.

2.3.10 E-commerce: challenges

Ndubisi and Kahraman (2005:725) show how perceptions determine an individual's adoption of new technology. Many people are reluctant to adopt e-commerce in South Africa due to limited and expensive Internet access, strict online payment procedures and the fear of fraud (Pillay, 2013). Globally, people are concerned about

credit card safety–they are more willing to buy online when they feel that the online payment systems are safe (Horrigan, 2008:ii).

The high levels of uncertainty brought about by transaction layers and lack of governance decelerates e-commerce development (Orbeta, 2007:12). Thus, online security, payment structures and credit card safety remain the leading issues that e-commerce entrepreneurs need to address (Orbeta, 2007:2).

Goldstein and O'Connor (2000:17) and Orbeta (2007:2) find that a lack of adequate distribution (delivery) systems and logistics infrastructure can become barriers to e-commerce as most suppliers are unequipped to execute transportation and shipping. In addition, the size of shipment affects profits. According to Cutura, Ellis, Sperber and Tzemach (2008:28), high shipping cost, which drastically reduces export opportunities, is Africa's big weakness.

Kshetri (2007:445) notes how the preference for face-to-face communications and elevated levels of risk aversion limits online transacting and according to Duncombe *et al.* (2005:4), e-commerce may even in some cases compete with existing business.

Rhodes (2009:49) mentions various citations that actually argue for the inappropriateness of ICT development in rural areas due to the lack of education, limited Internet connectivity, illiteracy and immature networks. It is true that rural women may face more obstacles. However, this does not reduce the need for women entrepreneurship and e-commerce. Indeed, educated women with access to infrastructure can help eradicate poverty by employing those who are disadvantaged but eager to participate (Bahramitash & Esfahani, 2014:294).

There is a need for materials and methodologies for information technology training that is more suited for women entrepreneurs. This could equip women to partake equally within the "knowledge economy" (Tandon, 2007:55).

Hiller-Garvey and Aguilar (2011:28) stresses however, that an e-commerce website is not enough to be successful. A good business plan and knowledge of the market is

also essential (Hiller-Garvey & Aguilar, 2011:28).

The literature review above indicates that there are various challenges relating to e-commerce. The most prominent include Internet access, credit card and payment safety, distribution, consumers' preference for face-to-face interaction and a lack of skills, improper education and poor infrastructure.

2.4 CHAPTER SUMMARY

Chapter two begins with an introduction to the literature study. Based on existing literature, it discusses the lingering imbalance between men and women in the workplace, which leads to a negative spiral of self-doubt. Entrepreneurship can enhance women's self-efficacy, confidence, independence and alleviate poverty.

The introduction further gives a brief overview of how women start ventures to empower themselves. Thanks to the growing information society and e-commerce, new opportunities present themselves to women to start their own businesses. Developing female entrepreneurship is crucial as it can provide economic upliftment for the entrepreneur and her community. These paragraphs lead into the literature review.

The literature review first takes a glance at entrepreneurship for women empowerment, discussing women entrepreneurship on a global level as well as giving a South African overview.

From this literature review it becomes evident that although many women across the world are empowering themselves through entrepreneurship, they still face many challenges, especially in developing countries where social constraints still forces traditional roles onto women.

Work-family-conflict often drives women to become entrepreneurs because of a higher degree of flexibility and balance. But many of them stagnate with one-man operations. E-commerce can alleviate some of these issues.

In South Africa, there has been an increase in women entrepreneurship, although they also face several obstacles such as a lack of role models, information and business management skills. South Africans also face several other challenges such as corruption, security, labour and education issues.

A literature review on e-commerce and the opportunities thereof reveals the growing adoption of online purchasing and social media usage. For example, Goldstein and O'Connor (2000:14) point to growing evidence that shows the remarkable potential of business-to-consumer e-commerce applications in developing sectors, with special reference to artisans in low-tech industries.

The discussion of ICT and e-commerce benefits includes examples such as the ability to work from home, access to information, easy market entry, larger markets, improved products, cost savings, specialisation, customisation and enhanced communication to name a few.

Socio-economic and political influences on e-commerce adoption are reviewed. For example, weak legal/regulatory structures and unsupportive policies can hinder e-commerce development. This is worsened by inefficient and expensive infrastructure such as Internet and electricity.

Demographic and historical background factors that influences e-commerce adoption are reviewed. These include education, gender, societal conflict and geographical location.

The literature review also investigates the infrastructure and resources needed for effective e-commerce utilisation. This section shortly discusses necessary infrastructure such as communication systems; Internet access, delivery and distribution services; payment systems and services; a user-friendly interface and mobile optimisation. Other resources include skilled human resources and security features.

Industries that flourish in e-commerce are discussed. A market for traditional arts and crafts has taken shape in addition to tourism and services such as freelancing.

The section on women and e-commerce provides evidence of how women across the globe are realising the benefits of e-commerce. These women are maximising opportunities by connecting with their customers through social media. Maier and Nair-Reichert (2008:44) mention how women can utilise creative skills to create empowerment through e-commerce.

Buyer attitudes, especially with regards to women are further examined. Entrepreneurial traits of women are discussed, for example, a high need for achievement, an internal-locus of control and a high need for independence.

A brief overview of e-commerce in South Africa shows the tremendous potential based on 30% annual Internet usage growth and social media activity.

Chapter two ends with a section on e-commerce challenges. Many people in South Africa are reluctant to adopt e-commerce due to limited and expensive Internet access, fear of fraud, high levels of uncertainty and lack of adequate distribution systems.

Despite these challenges, women entrepreneurship and e-commerce should be encouraged. This could equip women to partake equally in the “knowledge economy” (Tandon, 2007:55). In doing so, all women can eventually benefit.

CHAPTER 3
RESULTS AND DISCUSSION OF THE EMPIRICAL STUDY

3.1 INTRODUCTION

This research takes a qualitative approach in the form of interviews. According to Flick (2009:4&12), qualitative research emanates from constructionism. It examines the participant's outlook on their daily practice and expertise (how they engage in meaning-making) and therefore uses text as the empirical data instead of numbers. Denzin and Lincoln (2005:3) define it as an "interpretive, naturalistic approach to the world".

The study consists of three stages: abduction, deduction and induction (Reichertz, 2014:131). In chapter one, the primary objective of the study is given: to investigate the use of e-commerce for income generation among South African women entrepreneurs. During abduction, the researcher formulated a hypothesis. This investigation aims to assess the hypothesis that unemployed South African women can be empowered by e-commerce.

During the deduction stage, a literature review provides the framework on which to base the research. This framework was presented in Figure 1.2 in paragraph 1.6.1 in Chapter one.

The empirical phase constitutes the induction stage. The empirical stage investigates how South African women entrepreneurs are making use of e-commerce to generate an income or to supplement their income. In some cases, e-commerce provides a gateway to other opportunities and, although it is not the primary source of income, it leads to other opportunities for income generation. The research investigates the following forms of e-commerce ventures: online flea markets, online shops, blogs and online freelance applications such as freelancer.com.

Various factors influence the adoption of e-commerce. These include: socio-

economic influences (rural versus privileged), demographic influences (age and geographic area), historical background (education and work experience), resources and infrastructure (availability), industry types and finally, personality traits and attitudes. Furthermore, the research investigates the benefits and challenges of e-commerce to distinguish the sustainability and viability of e-commerce as a solution to unemployment. Evidently, several personality traits are required to start a business. Fortunately various solutions exist that could bypass the above influences as seen in the following sections.

This chapter thus contains the results of the empirical research that investigated the framework mentioned above. This relates to the primary and secondary objectives mentioned in paragraphs 1.4.1 and 1.4.2 in Chapter one. A detailed explanation of the data gathering and analysis will follow. The chapter concludes with a discussion of the findings and meaningful insights.

3.2 GATHERING OF DATA

This section contains a detailed explanation of the data gathering and analysis as well as the methodologies used.

3.2.1 Data collection

This research takes a mixed approach to collecting an analysing data as it makes use of both grounded theory and hermeneutic phenomenology (Thornberg & Charmaz, 2014:153). This means that although the analysis is a grounded theory approach in the sense that it searches for new insights and meanings, preconceived ideas still contributed to the formulation of the semi-structured interview schedules (questionnaires). The researcher therefore only used the questionnaire as a rough guideline due to the explorative nature of the study. Each research schedule was adapted for the interviewee and industry under investigation. The interview schedule can be seen in Appendix A.

3.2.2 Sampling

The convenience sample (Welman *et al.,* 2012:70) in the form of purposive sampling (Rapley, 2014:54) resulted in a total number of 22 interviewees. These entrepreneurs were found through an Internet search as well as referrals made from several individuals and respondents themselves.

To initiate the sampling, the researcher compiled a preliminary list of known e-commerce websites owned by women entrepreneurs. This was done by writing down all known e-commerce sites and reading the “about us” sections on the websites to ensure that they were owned by women. Asking friends, family and connections on *Facebook* to suggest women entrepreneurs further helped to expand the list.

Since many of the blogs and websites visited had referrals to other blogs and websites, the researcher found a number of websites as the study progressed. A website called ventureburn.co.za also listed some of the prominent South African woman-owned blogs and e-commerce sites. Thus, finally a snowball sampling method came into action (Rapley, 20014:54). Many of the respondents themselves mentioned possible interested female participants.

The researcher sent out a total number of 52 emails to all the listed candidates. This happened in stages as the research progressed. A total number of 26 women responded to the emails, however, six of the women replied that they were either travelling or too busy to take part in the research. Two women were willing to answer a written questionnaire in their own time, also due to time constraints. Only one completed the questionnaire however. A total number of 20 interviews took place over a six-week period between 20 August and 1 October 2015. Two of the interviews contained a pair of two interviewees, resulting in there being 22 entrepreneurs and 20 interviews. A graphical representation of the sample group and their industry sectors can be seen in Figure 3.1 on page 45. In addition, Appendix B contains a more detailed table of the representatives’ demographics.

The interviewer conducted interviews via *Skype, Face Time* and telephone calls to

overcome geographical barriers. The *Skype* and *Face Time* interviews were most beneficial as it could be conducted in a private and quiet setting, while still allowing for face-to-face interaction. Phone calls were the least successful due to poor sound quality and lack of virtual interaction. Two of the women situated in Gauteng were willing to do a face-to-face interview.

The industry sectors included in the sample consisted of fashion (including clothing, shoes and jewellery), home-ware, kitchenware, decor, art, furniture, African crafts, wedding goods, technology as well as personal interest blogs.

3.2.3 Data collection technique

Qualitative research is also known as descriptive research. A researcher uses qualitative research to describe phenomena and investigate cases that do not fit into particular theories (Welman *et al.,* 2012:189). Qualitative research differs from positivist approaches (quantitative research) in the sense that the researcher becomes absorbed into the research situation as opposed to the total withdrawal and unbiased approach of the positivists (Welman *et al.,* 2012:191). Thus quantitative research can statistically identify significant relationships between variables, however it does not look at the "how" (Barbour, 2009:11). The researcher therefore chose a qualitative approach specifically owing to the fact that very little research exists on the topic.

Furthermore, the researcher wanted to explore the concept of e-commerce for woman empowerment rather than try to squeeze it into existing theories. She wanted to see "how" South African women are using the Internet to generate an income. This prompted the grounded theory approach as explained earlier.

Several types of interviews exist for qualitative analysis. The researcher made use of semi-structured (Barbour, 2009:17) interview schedules as background to the research, which allowed her to structure the interview in a flexible way as not to guide the respondent's answers. From there, the researcher used prompts to refer to specific topics that needed discussion. With this approach, interviews can be veered

into more unstructured discussions to identify new variables, discover new topics and generate further hypotheses (Welman *et al.,* 2012:197).

3.2.4 The interview process

The researcher first conducted preliminary interviews to test the interview schedule and to examine whether the questions relate to the research objectives. As the interviews progressed and new insights were gained, new questions were added to the schedule. The emails sent to interviewees introduced the interviewer and explained the purpose of the study. An example of such an email can be seen in Appendix C. The duration of the interviews varied between 60 and 120 minutes. The interviewee recorded the interviews using a digital recorder to assist with transcription.

3.2.5 Data analysis

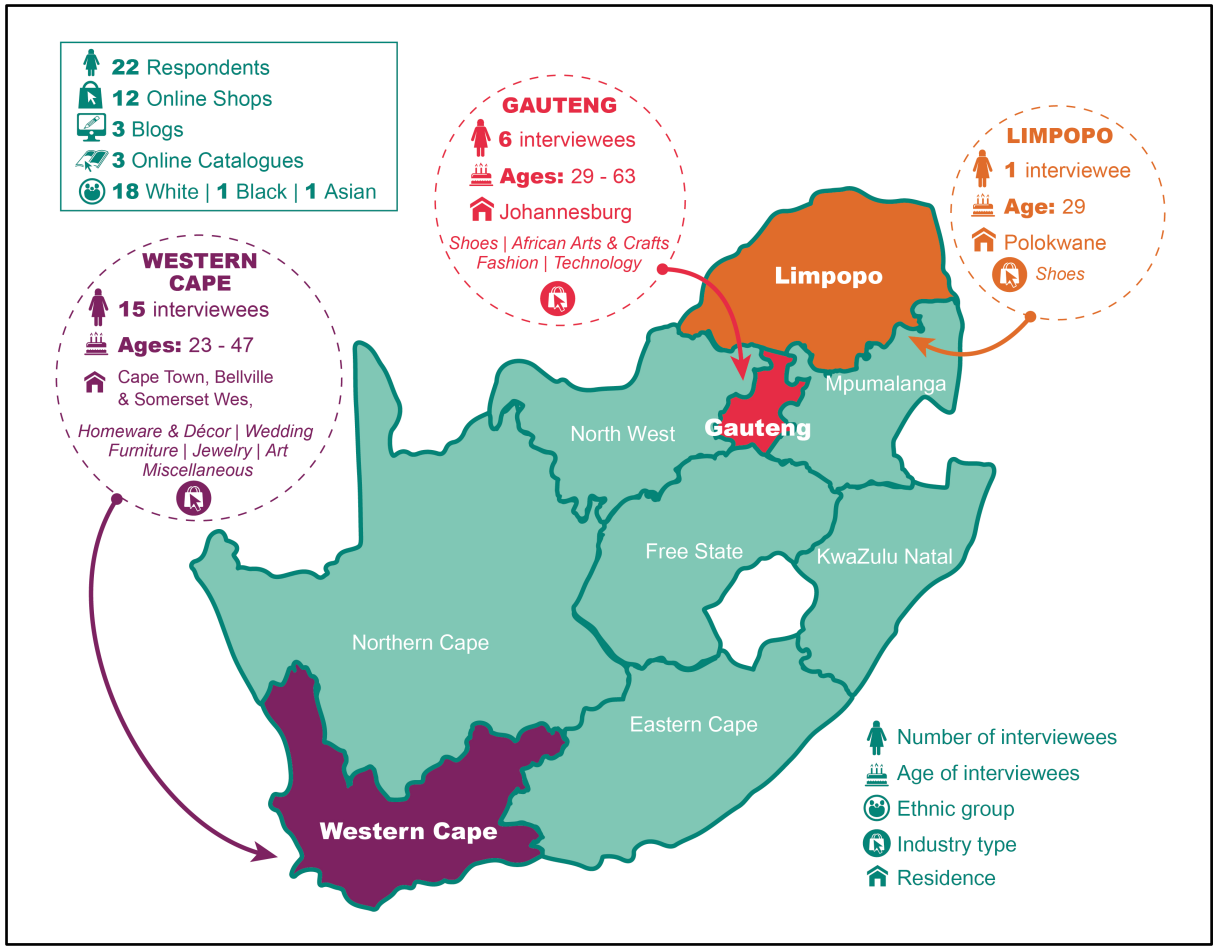
As briefly mentioned in Chapter one, the researcher made use of CAQDAS (Gibbs, 2014:277), known as MaxQDA to analyse the data. The analysis follows Gibbs' (2009:78) approach, which includes coding and comparing. Constant comparison also known as explicit comparison forms an integral part of qualitative analysis as explained by Palmberger and Gingrich (2014:96). During the coding phase the researcher followed Barbour's (2009:204) ten steps to coding. These steps include:

Step 1: Looking for emerging themes.
Step 2: Creating subcategories of themes.
Step 3: Evaluating the usefulness of the codes.
Step 4: Breaking down sub-codes into tertiary codes.
Step 5: Amalgamation of similar codes and concepts.
Step 6: Looking for exceptions and contradictions.
Step 7: Finding explanations for exceptions and contradictions.
Step 8: Finding emerging patterns.
Step 9: Finding explanations for patterns.
Step 10: Looking for surprises.

3.3 THE USE OF E-COMMERCE FOR INCOME GENERATION AMONG SOUTH AFRICAN WOMEN

Figure 3.1 contains a graphic representation of the research sample and their various attributes. Notably, only one of the interviewees was black and one Asian. The rest were all white females. This demographic is not ideal. Unfortunately, only one out of the five black or coloured women responded to the email. Most of the entrepreneurs are between the ages of 28 and 38, with few of them younger and five older females of 40, 42, 47 and 63 years old respectively. A total number of 15 interviewees reside in the Western Cape, six of the women live in Johannesburg and one resides in Polokwane in the Limpopo Province.

Figure 3.1 Graphic representation of sample group



Source: Compiled by the researcher.

During the interviews, it became apparent that women in South Africa are using the Internet to earn an income in several ways. The majority of the interviewees have online stores that sell products ranging from jewellery, home-ware, decor, fashion, furniture and African crafts. These online stores allow customers to select their products and add them to a shopping cart. Customers can finalise their purchase by either paying with a credit card through a payment gateway system such as *PayFast* or *PayPal*, or pay through an electronic funds transfer (EFT). The online shop owner then delivers purchased products via a courier or less often, the South African Post Office.

3.3.1 Different ways to earn an income

Having an online store is only one of the many ways in which one can earn a living through the use of the Internet. Some women sell their skills or services through international online platforms such as *Etsy*, *Shutterstock* and *Freelancer* and supplement their income in dollars.

*"There's not much that you need to do. So I started submitting my things to Shutterstock. I went to a few places ... there's a few of these stock agencies that you can submit your works to ... so I also started applying myself to Freelancer to seeing what is out there and my first job on Freelancer was to do a children's book." – ****, CT. 20 Aug. 10:00 via Face Time.*

Etsy is a popular marketplace for novice and professional artisans, crafters and artist to sell their goods. Although situated in Brooklyn, New York, *Etsy* provides an online platform for people across the globe. Many of the women who took part in this research initially started out by selling their arts and crafts on *Etsy*. To sell on *Etsy* an artisan pays $0.20 US dollars for each product listed and a 3.5% fee on every sale. One disadvantage of *Etsy* is its foreign currency which can be confusing for South Africans. This limits the extent to which an entrepreneur can build her brand and consumer following within South Africa. Furthermore, high international shipping costs often result in shipping costing more than the product itself, which makes the products unaffordable. Most of the women in the study who sell through their own online stores also face this challenge.

*"We lost two sales overseas because our export costs are too high and then people can't afford it. It is too expensive to export. So we are investigating on how to make it more cost effective at the moment. International shipping will play a vital part in the growth of our online business." – **** and ****, CT. 28 Aug. 9:30 via Skype.*

There are various other online marketplaces or online flea markets within South Africa, where people can sell their goods and actually earn a living. *Hellopretty* has created an online marketplace for artisans to sell their goods relatively risk free. Artisans run their own storefronts, market their own products and execute the shipping. Depending on the payment option, sellers pay either a monthly fee or a commission fee on their sales. A few of the women interviewed have also sold their goods through Amazon.com and TakeAlot.com. *TakeAlot* however, wants to keep stock, which puts more pressure on the entrepreneur. The upside of these online markets is the fact that people can sell their products without the need to setup their own websites; it requires little skill, is low risk and cost-effective. The more established brands even sell their products to popular online stores such as Superbalist.co.za or Spree.co.za.

*"And for me, my brand actually–a lot of people have seen my brand on Spree ... So, digital platform, it has helped me for past couple of years." – ****, Jhb. 3 Sep. 15:00 via Skype.*

Blogging is another avenue for earning an income. However, to earn a sustainable amount of advertising revenue, a blogger requires a massive following. Advertising could be in the form of banner ads or product reviews.

*"So the top bloggers in the world earn big money from advertising ... And there's a lot of marketing in terms of PR–they're really targeting bloggers ... I got a lot of people who approached me to review their products ... I still earn advertising revenue but I earn very little now. So in my hay day of doing it–it was about R5000 a month–that was the revenue from my blog." – ****, CT. 7 Sep. 14:00 via phone call.*

A relatively new way of earning revenue through a blog is in the form of "native and influential advertising", which is a more appropriate business model for niche blogs

with a smaller following.

*“So basically what that means is that we sell content ideas. So what we do is, a brand will come to me and they’ll tell me what their goals are. So maybe their goal is to raise exposure for a new product and then they give me free reign. So they’ll say to me, ‘This is the idea we have, how do we speak to your audience?’ and the idea is that I come up with a concept that is one–most importantly for me–is interesting to my audience and is something my audience will be interested in reading, whether or not it is paid for.” – ****, Jhb. 24 Aug. 16:00 via Skype.*

The biggest success of blogs and e-commerce in general however, lies in the opportunities it creates. Thus, it is not only the blog or online store itself that earns revenue, but the other opportunities built around it. For example, many of the bloggers get other writing opportunities or even published books.

*“My story is interesting for a couple of points, but for one point that I got a book deal based on my blog.” – ****, CT. 7 Sep. 14:00 via phone call.*

*“My blog is like such a little thing in comparison to what being like online has done for me. I have gotten writing work from it, I got clients, I got so many other bigger things.” – ****, Jhb. 9 Sep. 19:00 via phone call.*

*“Opportunities have just found me because I started, I dared to start. And things just keep going. And the next thing, and the next thing, and an order comes in ... people saw my products and contacted me about completely different things and projects, and exhibitions and wholesale orders.” – ****, CT. 1 Oct. 16:00 via Skype.*

Some women sell their goods purely through Facebook, mostly as a sideline business but the free platform has also been a primary income for this woman:

“There’s a woman who does vintage clothing. She puts the clothing on a dummy, photographs it, puts it on Facebook and goes: ‘This is what it is, the first person to comment or deposit into my bank account with a POP [proof of payment], *its theirs’. And she used to do markets and had a permanent store in Kalk Bay and then they*

*closed–they had huge closures due to work on the road and then her company went under so she went onto Facebook, and she's been doing that for two years and she's been really happy." – ****, CT, 21 Aug. 9:00 via Skype.*

Facebook is a useful social platform to test the market and engage with consumers to get insight and feedback on things such as fit and price. Many women sell their products purely through *Facebook*. Since it is a free platform, it reduces the need for heavy investment before a product is tested.

There are also other ways in which social media is used for or facilitates income generation. For example, *Instagram* and *YouTube* have opened up avenues for monetisation in many ways. *YouTube* video posts can earn money through advertisements running before the videos for example.

*"How people sell things through YouTube: They post video's demonstrating how to use their products, basically 'selling' their products to the customer. For example, they'll show you how to set a beautiful dinner table, and all the items they use will be for sale in their online shop. You'll love what they do in the video, want to re-create it at home, and head over to their shop and buy up what you need. Or they'll make a video demonstrating how to use tools or machinery, and then those exact items will be for sale in their online shop." – ****, CT. 1 Oct. 16:00 via Skype.*

Not only can entrepreneurs sell products on *Intstagram*, this platform allows them to build a community. Entrepreneurs fondly refer to these communities as their "*tribe*". These *tribes* are useful for informal market research and public feedback. Paragraph 3.3.4 discusses the use of social media as a marketing tool in further detail.

*"Also, people can and do sell things through Instagram. They'll post a picture of an item, beautifully styled, creating desirability, and in the caption mention the price of the item and an e-mail address and people can e-mail through if they want to buy the item. Lorraine Loots (paintings for ants–@lorraineloots on Instagram) auctions off her paintings through Instagram." – ****, CT. 1 Oct. 16:00 via Skype.*

*"There's a girl, she's got an old Polaroid camera and she'll go somewhere in Cape Town ... and she'll take a Polaroid of wherever she is and then she'll take a picture of that Polaroid with her phone and then post it to Instagram. And it's just such a cool concept and when you see the images, it's quite funky, and she steadily built up a huge following and now gets paid to pitch up at places and take their photos. All she needed was an old Polaroid camera and a smart phone and Instagram. And I know a lot of people, from photography, even just videos. You have a phone and you can video yourself on your phone and load it up to YouTube and start a career as a YouTube blogger." – ****, Jhb, 24 Aug. 16:00 via Skype.*

Entrepreneurs can follow many avenues to build their e-commerce careers. Free platforms such as *Facebook, OLX* and *Gumtree* provide an easy platform for people to test the market. Although *Facebook* is very popular, selling on *OLX* or *Gumtree* is more associated with second hand sales and often have a stigma attached to it, which impairs trust. Many people have suffered due to fraudsters on these platforms.

It is important to use a platform that aligns with one's own brand. Therefore, having a proper online shop could be more beneficial for building trust and following. For this reason, building a brand is vital.

Table 3.1 contains a summary of the most popular ways in which women are making money online.

Table 3.1 Ways to earn an income online

1. Sell products online	*Etsy, Hellopretty, Shopstar, Shopify*
2. Sell services online	Freelance.com, Elance.com, Shutterstock.com
3. Blogging	Standard advertising, native advertising & product reviews
4. *Facebook* & *Instagram*	Using social media to sell products
5. *YouTube*	Advertising and product promotions
6. Other	Opportunities that emanate from being online

3.3.2 The importance of a brand

An important thing about e-commerce is that it facilitates brand building. A strong brand makes the entrepreneur more credible. By building a brand entrepreneurs build their own reputation, which creates trust and this trust opens up an avenue for product expansion or new job opportunities.

*"Having built my personal brand has allowed me to do other things–start a business, start other Internet ventures that I earn money of. So it might not be directly from the blog, but it was through my blog." – ****, CT, 7 Sep. 14:00 via phone call.*

*"Because my stuff is well known, I can add things that are not wedding related because I have established myself over the last three years." – ****, 1 Sep, 18:00 via WhatsApp.*

*"For me–my brand actually–a lot of people have seen my brand on Spree." – ****, 3 Sep. 15:00 via Skype.*

Building trust is especially important when selling products online as opposed to selling through brick and mortar stores. In South Africa, e-commerce is a relatively young industry and South Africans are still skeptical about purchasing online. Social media is an effective tool for building trust. With applications such as *Twitter* and *Facebook*, entrepreneurs can engage directly with their customers. In this way, customers can see the real people behind the brand and they can see how others are engaging with the brand. Engaging with customers or communities is a key success factor for online stores as seen in paragraph 3.5.

*"Now that we have a brand and a reputation and you can see that we regularly sell online ... there is trust." – **** and **** Sep at 10:00 via Skype.*

Collaboration is another useful tool for further establishing a brand because brands can build on each other's popularity and success in a reciprocal way and each expand their own market reach. Reciprocity plays an important role in building a

brand and a business, especially for startups with low cash flow. Table 3.2 contains a summary of the different ways of building brand and trust online.

*"I think brand collaboration is a great way of getting a brand known. This way you are able to dip into each others' markets or clients." – ****, Jhb. 23 Sep. 12:30 via phone call.*

*"Like I collaborate with a clothing designer as well as a jewellery designer who also happens to be a singer-songwriter ... We're always in different industries. One is shoes, one is clothing, one is jewellery. So how do we actually combine the force together?" – ****, Jhb. 3 Sep. 15:00 via Skype.*

Table 3.2 Building brands and trust online

1. Engaging with customers and communities
2. Building an online following–creating *tribes*
3. Collaborating with other entrepreneurs & bloggers
4. Reciprocation
5. *YouTube*
6. Other

3.3.3 The need for a creative outlet

Most of the women who took part in the interviews started their online businesses purely as a creative mouthpiece or due to a need for a creative outlet. In many cases, it started as a hobby or even by chance. One of the women started her online shop following retrenchment. Thus, she formed her business partly out of necessity, but mostly out of her passion for creativity.

*"I have always loved art, ceramics and drawing. And because I was retrenched, I had a little bit of money to start the business. I am very grateful that I had the capital injection and my retrenchment ended up being a blessing in disguise." – ****, CT. 3 Sep. 15:00 via Skype.*

"And that empowers women, if you can actually make your own money and be happy in your own job and call your own shots–you don't have to stay trapped in a system

*that you're unhappy in and dissatisfied with. You can create your own destiny." – ****, CT, 1 Sep. 16:00 via Skype.*

*"I have always been creative and looked for a creative outlet so I do have a passion for what I do." – ****, CT, 20 Aug at 10:00 via Face Time.*

*"But it was the fun stuff–the creative stuff and that was really the nice stuff–that's what I enjoyed doing. But you weren't gonna retire on it." – ****, 16 Sep. at 11:00 via phone call.*

*"But the original idea to start it was because none of us had the creative outlet." – **** and ****, CT, 28 Aug. at 9:30 via Skype.*

This creativity translates into passion, which, according to the interviewees, should be considered one of the key success factors for e-commerce. Every interviewee mentioned the importance of passion for what you do. If a woman does not have passion, she will rarely make it as an entrepreneur in a new business. This key success factor follows Malcolm Gladwell's idea of 10 000 hours, which he discusses in his book titled: Outliers, published in 2008. When you love something, you will work hard at it and put more time into it, becoming better and better until you are hugely successful.

Passion is crucial for several reasons. Firstly, it makes these women work harder, because they enjoy what they do. Secondly, passion keeps them going during difficult times. Passion makes things come naturally to them because it is possibly something they were interested in since they were small children. Additionally, customers notice this passion. When they see the passion, they believe in the brand and so, entrepreneurs engage with their market more effectively. Passion then becomes a natural marketing tool, thanks to social media.

"I think you can pretty much sell anything if you show enough passion for it and if you bring people into the whole story of it, the excitement of it ... If you put love into it and you make it desirable, you can sell anything I think. If you market well, and you

*generate excitement and show passion, you can sell anything." – ****, CT. 1 Oct. 16:00 via Skype.*

3.3.4 Marketing and the importance of social media

Word-of-mouth is the most popular form of marketing for women online. Based on the feedback from the interviewees, it becomes evident that the most important thing for a successful e-commerce business is good marketing and specifically, good social marketing. Word-of-mouth is just as important for bloggers as it encourages advertisers to find them. From *Facebook* to *Instagram*, *Twitter* and *Pinterest*–each of these social media tools plays a significant role in marketing. Be it generating sales or creating brand awareness or building communities.

*"I have realised, as a business, that social media is critical. It is an important sales and branding channel and gives you the freedom and opportunity to reach a larger target market." – ****, Jhb. 23 Sep. 12:30 via phone call.*

Not all social media platforms were created equal. *Facebook* is the most preferred marketing tool, especially for targeted advertisements and promoted posts. *Instagram* is another popular social marketing tool. By being a visual platform, *Instagram* engages consumers in a way that creates experiences. Entrepreneurs create stories by showing their processes and making their followers part of their creative journeys. This is an invaluable tool for creating brand awareness and building a *tribe* as mentioned earlier.

These communities not only become the catalysts for word-of-mouth, they also form a support network. Sharing ideas, advice and information through their communities have helped entrepreneurs grow themselves and improve their products. In most cases, the *Instagram* community rarely buys the products. Nonetheless, they provide a sense of belonging, and a place where entrepreneurs find the needed support and motivation to keep going. Most importantly, these communities are critical for building self-confidence. Self-confidence appears to be one of the most critical personality attributes for entrepreneurs as seen in paragraph 3.4.5.

Although most of the platforms provide free marketing, it is not as successful as paid marketing. For example, having *Facebook likes* do not automatically send posts to viewers who liked the page. The entrepreneur has to physically promote the post, which costs a small amount of money. What makes *Facebook* such a successful marketing tool, apart from being inexpensive, is the fact that it can finely target a specific audience.

*"On Facebook we do a lot of promoted posts. Either to the people who like the page and promote it to their friends, or we've set up a couple of target markets. Say people who like VISI magazine and Elle Decor and Interior Design and even like Dulux Paints ... So often they see those promoted posts and come through and that's also where a lot of our sales come through." – **** and ****, CT. 23 Sep.10:00 via Skype.*

In the past it was hard to measure marketing and its return on investment. However, with tools such as *Google Analytics*, entrepreneurs can see exactly which social media and which marketing avenue is driving their sales.

*"We watch our Google Analytics quite closely and so we try and keep on top of what's going on that way. Where is our traffic coming from? A lot of traffic comes from Facebook." – ****, CT. 21 Aug. 11:00 via physical interview.*

Some of the (predominantly fashion) storeowners still make use of traditional print media. A magazine feature is a cheap and effective way to reach a larger audience within a product niche. Having a beautiful product and quality photographs can get a product into a magazine for free most of the times.

*"I have been very lucky with the media, where a lot of magazines have featured my products without me having to pay." – ****, 1 Sep. 17:00 via phone call.*

Most of the interviewees however only make use of online marketing through social media and email campaigns. *Facebook* advertisements seem to have more effect than *Google* advertisements for many of the interviewees.

*“It [Google advertisements] didn’t have any effective to be quite honest, where Facebook is more effective for me. Way more actually.” – ****, Jhb. 3 Sep. 15:00 via Skype.*

*“Tried it [Google advertisements]. The returns were awful. We basically poured R5000 down the toilet.” – ****, CT. 21 Aug. 11:00 via physical interview.*

Another form of advertising used by many of the entrepreneurs is the use of bloggers. When bloggers write about products they love or when they write positive reviews, people tend to be more willing to buy them. This is called social marketing. Sending bloggers samples of products and asking them to review it is a popular form of marketing. It is only effective however, if these bloggers actually do love the product. Furthermore, it is important to use bloggers who have a large following of a specific market. Making videos of how to use a product can also generate a fair amount of exposure. Entrepreneurs post these videos on a *YouTube* channel or share it on various social media platforms.

One important thing about e-commerce and e-commerce marketing is the constantly changing environment. For example a website might appear as the first *Google* search result the one week, but fail to even show the next. For that reason an entrepreneur constantly has to keep her marketing up to date and do regular SEO.

One way in which an entrepreneur can boost her SEO is by writing regular blog posts as well as editing meta tags and descriptions of products on her website. The same applies to all social media platforms–posts should be regular and noteworthy.

Constant engagement and regular posts remind followers of the brand and creates the personal interaction that is lacking with an online store. People enjoy engaging with brands on their social media because it makes them feel more important. It also gives the seller a “face”. Numerous South Africans still seem to prefer the face-to-face contact.

In general, many of these entrepreneurs get along without spending a cent on marketing. It does however depend on the industry as well as the amount of effort

they put into the free channels. This requires skill and insight concerning marketing, most of which can be learned online. Table 3.3 contains a summary of the various popular social media platforms used for marketing online.

*"If you want to make money online. You've got to know marketing." – **** and ****, CT. 23 Sep.10:00 via Skype.*

Table 3.3 Popular social media marketing tools

1 *Facebook*
2. *Instagram*
3. *Pinterest*
4. *Twitter*
5. Blogs
6. *YouTube*

3.3.5 Networking and engagement

Networking creates a kind of online community. This takes place in the form of engagement. Visiting other people and brands' websites, *Instagram* and *Facebook* pages, *liking* them and sharing their posts stimulates a form of online communication. Entrepreneurs do not purely talk about themselves on social media; they also talk about other people's products and brands. This creates awareness and reciprocity and may lead to free marketing opportunities. Building online communities and being personal is key.

Social media platforms such as *Instagram* have also given introverts as much voice as extroverts. It has made it much easier for those who are less outspoken to show their craft. Given the necessity of networking, this is significant.

*"I know creative people are often more introverted. That's where networking through the Internet and social media is so much easier for introverts. Instagram is good for introverts, as they may not be loud with voice, but they can be loud with image, which is as powerful." – ****, CT. 1 Oct. 16:00 via Skype.*

Physical networking is another important form of building communities and getting a brand known. This is a good way to encourage word-of-mouth as well as meeting like-minded people. Not only does networking facilitate opportunities for free media coverage, it also opens up opportunities for information/knowledge sharing and collaboration.

*"I'm quite good at networking and in that way I have gotten a lot of exposure in magazines and newspapers and on TV. That helps a lot to get countrywide awareness." – ****, CT. 1 Sep. 18:00 via WhatsApp.*

*"Examples of physical networking include, doing markets or trade shows such as the Neighbour Goods market at the Old Biscuit Mill in Cape Town, or something like Kamers vol Geskenke, the Samlam Food, Wine and Design Fair." – ****, CT. 1 Oct. 16:00 via Skype.*

Finding (the right) suppliers is a challenge that most entrepreneurs face. Networking can build supplier networks and strengthen relationships with these suppliers. This is important in situations where storeowners need their goods supplied fast and on time. Essentially, suppliers become business partners. Building these communities and engaging with them can therefore even promote productivity in the long term and provide customer service benefits. Engaging with clients directly through social media builds trust and loyalty. Posting relevant, beautiful and meaningful content, on a regular basis however, is vital.

Many of the entrepreneurs also used their social network of friends and family, especially when starting out. In many cases a husband or a friend who had IT experience helped to setup the platforms. In other instances, friends offered their professional services at lower cost. Not only do the families of these entrepreneurs' provide them with support and guidance, they were also on some occasions the benefactors.

*"I had to borrow the money from ******* to start with, and I obviously had to pay him back." – ****, Polokwane. 1 Sep. 9:00 via Skype.*

3.3.6 Learning and the power of *YouTube*

Many of the interviewees gained some sort of experiences in previous jobs. These jobs provided skills, knowledge and self-confidence to start their own businesses. One trait they all seem to have in common is a hunger for learning. For most, the Internet taught them everything they needed to learn. Some entered industries or engaged in activities without any prior training.

*"No, I didn't have any training actually [in designing shoes], nothing at all. It first starts with the imagination." – ****, Jhb. 3 Sep. 15:00 via Skype.*

Most of the entrepreneurs also found their suppliers online. Few of the women had formal business experience before starting their online stores. Although they made mistakes in the beginning, they professed that the best way to learn, is by doing.

*"You just learn as you go." – ****, 1 Sep. 17:00 via phone call.*

*"The most I learned when I was actually doing it myself." – ****, CT. 1 Oct. 16:00 via Skype.*

*"I started doing my own research on it–I watched tutorials. There is a host of tutorials out there just on YouTube, that's all you have to do." – ****, CT. 20 Aug. 10:00 via Face Time.*

*"I would Google for hours. 'Who makes candles? Who did this? Who did that?' ... so everything just kind off added on to it. So there's nothing I couldn't do." – ****, Jhb.16 Sep. 11:00 via phone call.*

*"I made a lot of mistakes in the beginning, and still do, but this is the only way to learn and grow." – ****, Jhb. 23 Sep. 12:30 via phone call.*

*"No, ag, we Google everything we want to know, ha-ha." – ****, Polokwane. 1 Sep. 9:00 via Skype.*

*“Anything can be learnt on YouTube.” – ****, Jhb. 24 Aug. 16:00 via Skype.*

*“You don’t need a degree to learn, sometimes the Internet is all it takes to teach yourself the basics.” – ****, CT. 25 Aug. 19:00 via Skype.*

*“You need to be open-minded, because you need to put a lot of effort into learning.” – ****, CT. 21 Aug. 11:00 via physical interview.*

3.3.7 Sustainability of e-commerce

It is evident from the interviews that even though the mentioned platforms provide income-generating opportunities, not all of them are sustainable enough to provide a sole income. Indeed, some of the interviewees confessed that they would not be able to live from that income alone. In many cases, other revenue streams supplement the e-commerce store such as selling to brick and mortar stores, or doing additional freelance work. Some of the women have the support of husbands who can carry them through difficult times. Nevertheless, this does not mean that e-commerce is not a viable career choice. As mentioned in paragraph 3.3.1, having an online presence often leads to other lucrative opportunities.

It is important to remember however, that South Africa is a few years behind the rest of the world when it comes to electronic innovation. This might explain the young age of the businesses owned by the interviewees. All of the businesses that participated in this research are less than 4 years old. It is yet to be seen if they will still be around in a few years time. E-commerce is thus still a new concept in South Africa. South Africans are only recently becoming more open to online purchasing. This promises an exciting future for e-commerce.

Another interesting factor is the general age of the interviewees. With the exception of a few, most of the entrepreneurs fall between the ages of 29 and 34, which shows a large proportion of generation Y, also known as Millennials. These individuals are more tech savvy than their predecessor Generation X and Baby Boomers, which could explain why they are the firsts to take up e-commerce. The sample however, is

small and therefore such a generalisation is ungrounded. Nonetheless e-commerce will undoubtedly hold many opportunities for the more tech savvy generations.

*"Just to say–yes it's easy to start an online store, but its also easy to fail. You'll only succeed if you manage to create a community and following for yourself, and thus manage to stand out from the crowd–through marketing. Marketing is vital. The building of communities is the most important thing to focus on if you want to succeed at e-commerce." – ****, CT. 1 Oct. 16:00 via Skype.*

3.3.8 E-commerce and unemployment

Although the previous section affects one's opinion of e-commerce for empowerment one of the cases shows how e-commerce can help reduce unemployment. One of the interviewees mentioned a foundation that employs 2000 rural beaders and crafters and sells their bespoke, modern African crafts to various clients such as corporations and collectors. Although they mainly sell their products through their website, they still only rely on a basic static website without any modern e-commerce solutions. For them the possibilities of e-commerce are enormous.

Creating jobs does not just mean you are taking someone off the street. By creating a job you open up positions elsewhere as well. In other words, when someone leaves their job to work for you, they create an opening for someone else in the position they used to work. Thus, it is not about taking people off the streets, it is about opening up job spaces. This includes self-employment. By creating self-employment an entrepreneur opens up job spaces for others to fill.

A tally of all the entrepreneurs, artists, artisans, craftswomen and family members that have taken up employment with these entrepreneurs total up to an estimated amount of 3542 jobs. This is significant, especially considering that none of the businesses are older than four years. However, it also shows the power of collectives, such as online flea markets and platforms such as *Hellopretty*, *Etsy* and *This Little Market*. This exposes the significant economic benefits that e-commerce can have. Apart from the creation of jobs, the use of suppliers and outsourcing

further stimulates the economy, which can lead to job creation elsewhere (especially on the supply side). The following interviewees explain it as follows:

*"Essentially what e-commerce has done is make it a lot more easier for people to start a business, whether its anywhere in South Africa, which means that there's a potential for more business, which means that there's potential for more successful business, which means that there's a potential for employment. In that way I think it could contribute to reducing unemployment and stuff, but it's still a long way to go." – **** & **** Sep at 10:00 via Skype.*

The use of e-commerce is cemented in various factors and formalities. These insights are summarised in Table 3.4. Building a trusted online brand is critical. Being passionate about what they do takes entrepreneurs further, especially during dire times. Social media is the number one marketing platform and is critical for building communities and tribes. This should also be supplemented by networking. A can-do-attitude and a hunger for learning are shared by all of the interviewees. Finally it becomes evident that e-commerce can be a sustainable career choice if done right.

Table 3.4 E-commerce insights

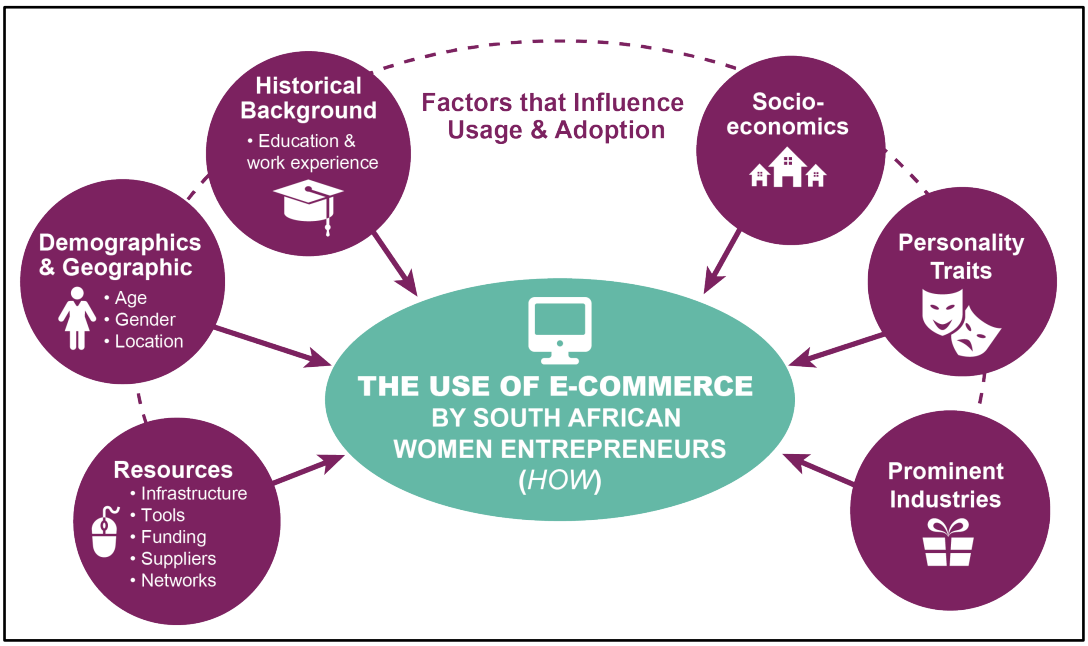
1. Building a trusted online brand.
2. Being passionate about what you do.
3. Social media marketing is critical for building communities and tribes.
4. Networking is important online and off-line.
5. A can-do-attitude and a hunger for learning is critical for success.
6. E-commerce can be a sustainable source of income if done correctly.

3.4 E-COMMERCE ADOPTION

Based on the research framework presented in Chapter one, several factors influence e-commerce adoption. As previously seen, all the women interviewed come from privileged backgrounds. Nevertheless, along with their historical backgrounds, various other factors influence e-commerce adoption in South Africa.

The subsequent paragraphs will discuss the following influences: required resources, socio economic influences, demographic and geographic influences, historical background, prominent industries and personality types. Figure 3.2 contains an excerpt from the research framework presented in Chapter one to illustrate the influences that will be discussed in the following paragraphs.

Figure 3.2 Factors that influence e-commerce adoption



Source: Excerpt from research framework created by researcher.

3.4.1 Resources

With e-commerce one would think that a vast range of resources is required to setup an e-commerce business. However, according to the entrepreneurs who took part in the interviews, thanks to a range of affordable online platforms, few resources are actually required to setup an e-commerce store.

3.4.1.1 Infrastructure

It seems that the most important resource is a viable idea. Internet connectivity and sufficient data are the second most important resources. Finally, a computer or device is needed that can be used to access the Internet. The ease of setting up is

astonishing and is probably the most prominent benefit of e-commerce, apart from the obvious job creation.

The majority of interviewees already had computers and Internet access, which saved them some startup costs. Furthermore, most of the entrepreneurs only needed a small amount of funding to setup the rest. Thanks to the many free platforms such as *Facebook* and *Etsy*, entrepreneurs can test their products at relatively low costs. As mentioned earlier, a great deal of women sells their products through *Facebook*.

Beautiful, good quality photographs are crucial for a successful e-commerce store. Not only do photographs engage with the consumer, they need to replace the physical touch and feel of products. Detailed descriptions of the products, as well as their measurements must accompany these photographs to give consumers enough information and help them with their purchase decisions. Taking beautiful photographs of products does not necessarily require an expensive camera. Many modern smart phones take good quality images. Various online sources exist that can teach people to take good photographs with modern mobile devices.

*"You don't have to hire a photographer. If you've got a good cellphone, there are great tutorials online that teach you how to take acceptable product photos." – ****, CT. 21 Aug. 11:00 via physical interview.*

3.4.1.2 Tools

Various tools and platforms exist that can be used for e-commerce. Many entrepreneurs started by selling their products on *Etsy*. *Hellopretty* is another online flea market type of platform discussed earlier.

For those who want to sell through their own stores a few online platforms exist, for example, *Shopify* and *Shopstar*. These platforms allow entrepreneurs to build their own online stores by choosing from a set of templates and uploading their product images. Each platform has its own set pricing but both are relatively affordable. *Shopstar* is based in South Africa, which makes it the most popular platform amongst

the interviewees, however, some of them professed that *Shopify* was more user friendly and customisable.

*"I preferred to use Shopify as it is more user friendly and customisable." – ****, 1 Sep. 17:00 via phone call.*

Having a personalised website address (URL) is recommended and thus a domain must be bought online through a hosting service such as *Afrihost*. The next step is registering with a payment gateway such as *PayFast* (local) or *PayPal* (international). Registering with *PayFast* is free and requires no monthly fees or setup costs. Sellers pay a per-transaction fee on each sale (PayFast, 2015).

3.4.1.3 Funding

The majority of interviewees required little funding.

*"No definitely not. I don't think you need any funding whatsoever in the beginning, like I said, I was just going on like paper with pencil crayons that I had around the house ... You can go to an Internet cafe and start an Etsy store and sell your prints. So there's no real capital needed." – ****, CT. 20 Aug. 10:00 via Face Time.*

*"We started with nothing, we had absolutely nothing." – ****, Jhb. 2 Sep. 15:00 via physical interview.*

*"No, not so much, because if you start working from home and save on expenses such as hiring an office ... many people already own computers in their personal capacity and in that instance you don't need much more. You just need a good concept and a platform to sell your stuff on." – ****, CT. 1 Sep. 18:00 via WhatsApp.*

Once again, it is important to remember that these women, coming from the middle to upper classes, all had access to computers and Internet when they started their business. A personal computer and Internet access will probably be the largest funding requirement apart from raw materials. Depending on the type of product sold, very little funding is required.

Once-off products such as a jewellery item will need fewer raw materials than shoes for example. For shoes, entrepreneurs require at least a few pairs of stock in all the different sizes and colours. A larger amount of capital funding is required for shoes, whether manufactured locally or in China.

For someone starting out with a piece of art or decor item, *Etsy* is the best option at $0.2 (±R3) per upload. Alternatively, artists can sell their art through *Unsung Art* and only be liable for the postage fee. Table 3.5 displays some of the required resources and possible funding requirements. A larger version of this table can be seen in Appendix D. Based on a rough estimate; as little as R5000 could get an entrepreneur online (excluding product and raw material cost). It is important to remember that enough funding is not the only resource required to make a success online. Various other factors come into play as seen later in the chapter.

Table 3.5 Tools and resources to help setup an e-commerce store

Hardware	Freelance Platforms	Online Market Places	E-commerce Platforms	Marketing Platforms	Skills	Networks	Learning Tools	Funding	R	Payment
Internet	Freelancer.com	Etsy.com	Shopify	Facebook	Basic computer	Friends & family	Desire for learning	Domain name	79	once off
Computer	Elance.com	Hellopretty.co.za	Shopstar	Instagram	Social marketing	CCDI / SEDA	YouTube	Internet Access	397	p.m. (uncapped)
Camera / Cell Phone	Upwork.com	Thislittlemarket.co.za	Squarespace	Twitter	Self-confidence	Likeminded people	Google	Computer	4000	entry level
	Shutterstock.com	Kinshop.co.za	Facebook	Pinterest		Social media	Friends / networks	Shopstar	200	p.m. (25 products)
		Unsungart.co.za	PayPal	Blogs			Doing			
		Utique.co.za	PayFast	YouTube						
		Takealot.com	Snapscan	Google Ads						
		Superbalist.co.za	Afrihost	Google+						
		Olx.com		Mailchimp						
		Gumtree.co.za		WhatsApp					R 4676	

Source: Created by researcher based on feedback from interviewees.

3.4.1.4 Suppliers

Having the right suppliers is another critical resource. Outsourcing is an effective way of managing cost and getting expertise, especially when entrepreneurs do not know how to do things themselves. Most of the interviewees disclosed finding their suppliers through *Google*.

*“I outsourced everything, so actually, I was the go-between.” – ****, Jhb.16 Sep. 11:00 via phone call.*

*“You mustn’t try to do everything. You cannot do everything. You have to sometimes give it over to others.” – ****, CT. 3 Sep. 15:00 via Skype.*

*“We also have no background in that yet. We literally draw pictures and then get someone to make it for us. We have taught ourselves to use drawing programmes to assist our manufacturers and to understand the design principals even more. It is more effective than 2D pen on paper. But sketching it out will always be the starting point to form the idea.” – **** and ****, CT. 28 Aug. 9:30 via Skype.*

3.4.1.5 Networks and community building

Many of the entrepreneurs started by using networks and friends–selling to friends and families. Even though support from friends and family was important, many faced criticism and skepticism from their peers, yet it did not deter them. Others have also started their businesses mainly because their friends encouraged them to do so.

Forming communities is key to building a strong brand and a strong following. This industry, apart from social media, is driven by word-of-mouth. Creating (social) networks is important for driving this word-of-mouth phenomenon. For that reason, commenting, reposting and sharing other people’s posts and products, together with one’s own, becomes important.

The notion of reciprocation takes a strong hold within this industry. Bloggers seem to be at the forefront of this trait. Many entrepreneurs send their products to bloggers in return for a story or review of the product in question. Bartering becomes useful for those entrepreneurs who sometimes struggle with cash flow. Therefore, by using networks and friends, they made use of trade exchange, got help from a friend at a discount or got help from peers in the form of informal training.

3.4.2 Demographic and geographic influences

3.4.2.1 Age

As seen in Table 3.6 the majority of the interviewees are between the ages of 29 and 34. They also have true online stores as opposed to the online catalogues of two of the older women. As mentioned earlier, the 29 to 34 year age group belongs to the Millennials. These entrepreneurs, together with the younger women, are more technologically skilled and open to online learning. They found the setup of their e-commerce stores to be easy. One of the older women confessed that she did not really understand how to use social media.

Table 3.6 Interviewee demographics

Interviewee	Ethnic Group	Age	Location	E-commerce Type	Business Age
1	White	29	CT	Shop & Service	4 years
2	White	32	CT	Shop	1 year
4	White	32	CT	Shop & Service	3 years
5 & 6	White	29 & 30	CT	Shop	1 year
7	White	38	CT	Shop	>3 years
9 & 10	White	32 & 26	CT	Shop	1.5 years
12	White	32	CT	Shop	>1 year
13	White	23	CT	Shop	2 years
15	White	32	CT	Shop	3 years
17	White	34	CT	Shop	3 years
18 & 19	White	47 & 22	CT	Shop	3 years
21	White	46	CT	Blog	15 years
8	White	34	Jhb	Shop	3 years
11	White	63	Jhb	Catalogue	4 years
14	Asian	40	Jhb	Shop	>1 year
16	White	34	Jhb	Blog	>1 year
20	White	42	Jhb	Catalogue (recently closed)*	<10 years
22	Black	29	Jhb	Blog	1 year
3	White	29	Polokwane	Catalogue	>1 year

* Closed business to focus on studies.

Source: Created by researcher based on feedback from interviewees.

The younger generation also seemed much more optimistic about the potential of e-commerce in reducing unemployment.

3.4.2.2 Gender

Being a female entrepreneur online has various benefits. Traditionally many women in business faced challenges relating to their gender as pointed out in the literature review. Conversely, e-commerce takes away gender because all transactions and interactions take place online. Much of the bias dissipates when dealing through a digital platform. Furthermore, since most of these stores target women, the majority of dealings take place between women, which makes it easier.

*"Yes, we have had many favours. So you go into an industrial area and you ask someone to do you a favour and they do it for you for free. We don't go with the intention to get stuff for free. But we'll go to a guy and tell him we have a problem, we need to make this cap and he'll be like, 'luister, ek maak dit sommer vir julle, gou-gou, nee-nee ek soek nie julle geld nie' ['Nono, I don't want your money, I will quickly do it for you.'] We get that a lot." – **** and ****, CT. 28 Aug. 9:30 via Skype.*

As seen in the literature review in Chapter two, women are better at social media than men. Social media is perfect for women because most of them are natural social marketers. Women's love for engagement and community building fits in perfectly within the e-commerce environment.

*"It's the virtual model of neighbours hanging over the fence and chatting and inviting each over in for tea and talking about their husbands and children or stuff like that. I think we have less time to do that in the physical world, but we do a lot of that in the online world. And you do form real friendships." – ****, CT. 7 Sep. 14:00 via phone call.*

E-commerce is specifically popular with women, because of the unthreatening environments in which they can work. Most of the interviewees work from their homes, which is great for those with children. The work-life balance it provides makes it a popular choice for mothers.

*"Its being able to stay at home with my children." – ****, CT. 20 Aug. 10:00 via Face Time.*

3.4.2.3 Location

Notably, the majority of the websites used to compile the email list were situated in Cape Town. This correlates with the findings in the GEM report, which mentioned that Capetonians were 60% more entrepreneurial than the rest of the country. It appears that Cape Town has a big creative community. The city received the honours of World Design Capital in 2014. Furthermore, the Capetonian interviewees mentioned various initiatives and networks that supported them in setting up their businesses such as the Cape Craft and Design Institute (CCDI). None of the respondents from other regions mentioned any such networks.

*"Like with World Design Capital last year, we met a lot of creative people and were going to a lot of events and it was sort of a lot of networking, so we have created a lot of relationships last year that sort of helped." – **** and ****, CT. 23 Sep.10:00 via Skype.*

"Do you think being in Johannesburg is a bit more challenging?"
*"Cape Town is known to be the creative hub and space, much more so than Johannesburg. So I think, in a way, I am more removed from it. But as I have been doing it, there are lots of artisans in Johannesburg–more than we know of." – ****, Jhb. 23 Sep. 12:30 via phone call.*

*"But the Capetonian crowd is a lot more encouraging in the design and arts in general." – ****, CT. 21 Aug. 11:00 via physical interview.*

*"I am glad we moved to the Western Cape because it works very well in the Western Cape." – ****, CT. 25 Aug. 19:00 via Skype.*

Cape Town is home to the Silicon Cape Initiative, an initiative aimed at promoting this region as the "emerging Silicon Valley of Africa" and to promote opportunities for high-tech startups and raise awareness for foreign investment (Norton, 2015). Additionally, the online store platform *Shopstar,* is also situated in Cape Town. They host regular workshops to train locals in creating online stores and creating online

communities (Twitter@ShopstarZA, 2015). This suggests an encouraging and supportive environment for Capetonians concerning e-commerce.

South Africans have been slow to adopt e-commerce. For example, many people still prefer to pay with EFT, rather than credit cards due to the fear of credit card fraud and identity theft. South Africans also still prefer to fit and touch and feel items before buying them. It seems they still prefer face-to-face interactions.

*"A lot of people are still very freaked out about buying online. I think it's a South African trust thing." – **** and ****, CT. 23 Sep.10:00 via Skype.*

*"We're a very distrusting society." – ****, Jhb. 9 Sep. 19:00 via phone call.*

*"You don't realise how bad it is. One of my friends even, she knows computers, she knows my generation and yet she still doesn't trust online shopping. And a lot of people are really scared about buying online. They really assume that they're gonna get their credit card details stolen." – ****, CT. 21 Aug. 11:00 via physical interview.*

*"Also, people are still skeptical and want to see and feel the stuff before they buy it and I hear that a lot. They ask, 'Do you not have a physical store where we can come and have a look?'" – ****, CT. 25 Aug. 19:00 via Skype.*

*"I realised there is a desire from clients to physically see the products so many people ask me, 'Where's your store? I want to come visit.' and I say, 'No it is only available online'." – ****, CT. 1 Sep. 18:00 via WhatsApp.*

3.4.3 Historical background influences

An important thing to note is that the entire sample interviewed, comes from privileged backgrounds. One cannot ignore the fact that most of the interviewees had either tertiary degrees or diplomas and/or worked in professional environments. In many cases, it is only once someone has worked in a corporate environment that she realised that it was not what she had expected it to be. This realisation often sparks the motivation for self-employment.

*“I think, that for me it was a bit of like a soul destroying moment. When I realised I wouldn’t be able to sit there and just design as I wanted.” – ****, CT. 20 Aug. 10:00 via Face Time.*

*“I found that in the corporate environments, you have to work where the company puts you–very few people get to work where they are best. And I was working in the wrong place in these companies. I wasn’t in the place where I wanted to be and it was very frustrating. You feel that you’re not getting anywhere in your career. You feel like you’re wasting your life.” – ****, CT. 1 Oct. 16:00 via Skype.*

These entrepreneurs have clearly started their businesses out of a need for self-fulfillment. For many women in rural areas, they do what they do out of necessity. The passion is lost. And once again, passion is critical for sustainability.

*“But remember a lot of women are entrepreneurs out of need. A lot of those women at home who are beading, they’re doing it because they have to–not because they enjoy it anymore.” – ****, Jhb. 2 Sep. 15:00 via physical interview.*

Table 3.7 lists the interviewees with their qualifications and work experience and skills backgrounds. The majority of the interviewees had some form of tertiary education and most of them picked up various useful skills while working for different companies.

Furthermore, even though some of the women have entered avenues where they had no previous experience, most of them picked up beneficial knowledge and skills at previous jobs, before starting their own businesses. This does not necessarily mean that women must work for someone before starting their own businesses. On the contrary, one of the respondents started her online store at the age of 20 after dropping out of university halfway into her first year. Nevertheless, coming from privileged backgrounds secured these women with good schooling and a sense of self-confidence that undoubtedly fuelled their success online.

§Table 3.7 Academic and work experience versus e-commerce industry

Interviewee	Qualification	Work Experience	E-com Industry
1	Fashion Design	Various Admin	Homeware & Illustration
2	Fashion Design	Fashion Design	Homeware
4	Business Ethics	Marketing	Wedding
5 & 6	Fine Arts	Advertising	Furniture
7	Fashion Design & Art History	Various Corporate	Décor & Jewelry
9 & 10	Economics & Journalism	Own Businesses	Art
12	Interior Decorating	Marketing	Homeware & Décor
13	N/A	Own Business	Homeware & Décor
15	N/A	Wed Developer	Online Market
17	Graphic Design	Graphic Design	Homeware & Décor
18 & 19	Fine Arts & Creative Brand Communications	Own Business	Homeware & Décor
21	MBA	Various Corporate	Fertilicare
8	Financial	Financial	Shoes
11	N/A	Marketing	African Arts & Crafts
14	Business Information Management & Marketing	Fashion	Shoes
16	Journalism & Communication Science	Journalism	Tech for Women
20	Marketing	Tourism	African Arts & Crafts
22	Information Design	Producer & Marketing	Fashion
3	Somatology	Hairdresser	Shoes

Source: Created by researcher based on feedback from interviewees.

3.4.4 Socio economic influences

What is evident from the research is that it is easier for privileged women to start their own e-commerce businesses, either on the side as an added income or as fully sustainable business. The reason for this is the access to required resources such as the Internet and a computer as discussed in paragraph 3.4.1.

The situation is vastly different in rural communities where women face desperate circumstances such as violence, crime and lack of access to physical resources. Apart from safety and logistical issues many women in rural communities suffer from a severe lack of self-esteem. Being the sector that suffers the most from unemployment does not help to promote confidence either.

A woman who lacks self-confidence is unlikely to start her own business. Indeed, paragraph 3.4.5 shows how self-confidence is a much needed personality trait. This is an enormous problem in rural areas because these women cannot get jobs and have given up trying. They lost their confidence because no one wants or needs them. A self-fulfilling prophecy takes shape, and for these women it becomes easier to live off social grants. For some of them their talents have become a curse because no one wants it anymore. Many times their apathy turns into laziness.

*"Many times I've arrived at a village and seen the most incredible painting outside a home or the most incredible beading–a beautiful beaded blanket at the end of a bed but yet she's farming and she won't even discuss the beadwork because she believes its an ancestral curse, because nobody wants it anymore–and that's fact. The wire work has taken over from the bespoke beadwork, which is a great pity but it is true." – ****, Jhb. 2 Sep. 15:00 via physical interview.*

Even though these women could potentially find new markets with other skills, many of them are unwilling to retrain. They are often fourth or fifth generation beaders.

Another problem for these women is finding a market–a willing buyer for their products. In most cases they cannot sell their goods to their own communities, friends and family because the latter cannot afford it. As seen earlier, an existing network of friends and family as clientele provided many of the entrepreneurs with a buyers market.

*"There's a lot of very creative and clever, especially black women, but they have no idea how to get their goods to market and that is a very, very big challenge and unless that challenge change, I can't see anything changing." – ****, Jhb. 2 Sep. 15:00 via physical interview.*

Their isolation also prevents them from developing their products to fit the changing market needs.

"A lot of the women are deep rural where they have nobody who they can compare products to. From generation-to-generation–they might have been developing dolls

*or different products but they haven't evolved. But the market has evolved. But nobody's been there to help them basically grow their market and product." – ****, Jhb. 2 Sep. 15:00 via physical interview.*

Another issue is the problem with payment. It is dangerous to carry cash. This is a polarity because they need the cash to buy supplies for making goods. Many of them cannot get bank accounts due to strict banking policies, the need for proof of residence and high banking fees.

For many, even if they find a willing buyers market, they do not have the means to get the product to them. Logistics becomes a big deterring factor as transport and delivery is expensive.

*"I think until we deal with basic human rights, the ability for women to walk down the street without harassment, and the basic ability for a woman to wake up at four and wait for a taxi without the fear of gang rape. For a woman to carry money without being robbed. If you have an online store, you need to carry stock; you need to be able to make it to a post office ... for women in townships you'll have to find a way to get it somewhere where a courier company would drive in, because I think a courier would be very nervous to drive into Khayelitsha." – ****, CT. 21 Aug. 9:00 via Skype.*

Opportunities do exist that might reduce some of the deterrents mentioned above. For example, using a mobile phone to access the Internet and online flea markets or using local stores as pickup and delivery points. *Facebook* is free and those with *WhatsApp* can send and receive photos of prototypes. These issues are easier to solve. However, the most difficult problems are the deeply engrained cultural beliefs and societal issues such as abuse, patriarchic injustice and jealousy.

"We've had a lot of instances where we've pulled the woman up and then the husband, in two cases the last year, the husbands have beat them up because they've lost their jobs. The woman is doing better and better. The role within the home changes because she is now the breadwinner and the man cannot handle it. The man is still the head of the family ... So even in rural areas, you can have men that are very jealous. You can say to a woman, 'I need you to come up, I need you to

*work with us, we're trying to develop this product.' Her husband will not let her leave deep KwaZulu-Natal to come to Johannesburg. Because he is the man of the family, she might meet somebody along the way, and why does she have to go to Johannesburg? It's not a matter of how much she can potentially earn–that doesn't even come in to play." – ****, Jhb. 2 Sep. 15:00 via physical interview.*

Thus, the problem is not only the lack of resources but also the lack of self-esteem (from the entrepreneur as well as her spouse) and the various other socio-economic obstacles.

3.4.5 Personality traits

During the empirical research, the importance of self-confidence for running one's own online business became clear. Self-confidence fuels drive and a can-do attitude. For an entrepreneur's marketing to be successful, she needs to engage, collaborate and communicate with her followers on a daily basis. Although being a people's person is not required, being friendly and communicative is. Off course, one can always outsource social media. However, people are more likely to engage if posts are genuine and coming from the heart.

When asked which personality traits the interviewees deemed most important, the following personality traits became apparent:

- Driven / ambitious / can-do attitude / go-getter
  *"You need to be determined and be passionate about what you do. If you don't have a passion or determination and perseverance of what you want to do, how can you be successful?" – ****, Jhb. 24 Aug. 16:00 via Skype.*

- Self-confidence
  *"Just be confident and don't be intimidated and don't be shy." – **** and ****, CT. 23 Sep.10:00 via Skype.*

- True to the cause / belief and passion

  *"And if something is not working, you can't give up and walk away, you've got to keep on chipping until you find out how to make it work. And never give up on your dreams." – ****, Jhb. 2 Sep. 15:00 via physical interview.*

- Resilient / tough skin / assertive

  *"I think you also have to have a bit of thick skin because you are going to get up against people who don't want you to succeed." – ****, CT. 20 Aug. 10:00 via Face Time.*

- Hardworking

  *"You need to be able to work hard." – **** Aug. via questionnaire.*

- Adventurous / inquisitive / ballsy / courageous / fearless

  *"Another challenge is to stay positive. I mean it was like a roller coaster ride–it is only for the bravest people out there. Being an entrepreneur is very stressful." – ****, CT. 1 Sep. 18:00 via WhatsApp.*

- Adaptable / flexible / malleable / wear many hats

  *"Be willing to change the actual business as well. If something is not working then change it, don't get stuck on one idea, always make sure you're thinking about what, you know, innovate ... seek advice consult, listen to other people." – **** and ****, CT. 23 Sep.10:00 via Skype.*

Adaptability is probably one of the most important personality traits for e-commerce entrepreneurs due to the ever-changing environment. Many people in small businesses cannot afford employees in the beginning. This requires them to be able to do all the tasks required and to put on the various hats and personas to conduct business. One of the interviewees likened it to having multiple personalities. Being adaptable and acceptable to constant change and staying at the forefront becomes a key success factor for e-commerce. Table 3.8 contains a summary of all the important personality traits mentioned during the interviews.

Table 3.8 Important entrepreneurial personality traits

1. Driven / ambitious / can-do attitude / go-getter
2. Self-confidence
3. True to the cause – belief and passion
4. Resilient / tough skin / assertive
5. Hardworking
6. Adventurous / inquisitive / ballsy / courageous / fearless
7. Adaptable / flexible / malleable / wear many hats
8. Creative / problem solver
9. Self-starter / self motivated
10. Resourceful
11. Risk-taker
12. Outspoken / people's person
12. Friendly
14. Self-accepting
15. Patient

3.4.6 Prominent industries

The businesses that were part of this research fall into the following industry categories:

- Art and illustrations
- Homeware and decor
- Wedding
- African arts and crafts
- Fashion (shoes)
- Furniture
- Fertility
- Technology

The interviewees also gave their views on the most suitable industries for e-commerce. According to their feedback, the most popular items to buy are still books and CD's (as seen in the MasterCard survey shown in Chapter two) as well as other items that don't need to be fitted, felt or tested such as kitchen utensils, wedding accessories, jewellery, handbags, children's clothes and baby accessories and travel items such as tickets and accommodation.

Furthermore, the higher the price, the less people are willing to buy online. Larger items will increase shipping cost and therefore makes them less popular to buy or sell online.

Apart from children's clothing, adult clothing and shoes seemed to be less popular. However, the three participants who had online shoe stores, were all fully dependent and earning a good income from their shoe businesses. This proves the point made by one of the entrepreneurs about passion: If you put a lot of love and passion into a product, you can sell anything, because people can see it. A summary of the most popular industries is represented in Table 3.9.

Table 3.9 Popular e-commerce industries

1. Books, music & CD's
2. Kitchenware
3. Wedding accessories
4. Jewellery
5. Handbags
6. Children's clothes
7. Travel items
8. Nursery decor
9. Home-ware & decor

The biggest problem with clothing and shoes is the fact that people want to try them on first. Just the idea of having to send items back is a big deterrent for online shoppers. However, once a brand is well known, and people get to know their correct sizes, they often buy items regularly from that brand.

*"So I would buy books or things that I already knew. Like I wouldn't really buy fashion items unless it was easy to send stuff back." – ****, 1 Sep. 17:00 via phone call.*

*"Just looking through the different shops on Instagram and the ones that are doing really well, children's clothing seems to be booming." – ****, CT. 20 Aug. 10:00 via Face Time.*

*"Like handbags I think is good." – ****, Jhb. 3 Sep. 15:00 via Skype.*

*“Jewellery does well ... I think its like your stuff that you’ve maybe seen in-store like that’s lame, like if I want to buy something from say, a cooking store.” – **** and ****, CT. 23 Sep.10:00 via Skype.*

*“Kitchenware like pans and cutlery and anything wedding. You don’t have to touch it and try it on.” – ****, Jhb. 23 Sep. 12:30 via phone call.*

*“I know of so many people who have gone into retail, fashion, and their businesses close down.” – ****, Jhb. 9 Sep. 19:00 via phone call.*

To be successful online in any industry requires a brand to be unique and to stand out amongst the masses. Several key success factors are required to make a success online (as pointed out by the interviewees).

3.5 E-COMMERCE SUCCESS FACTORS

As mentioned a few times, social networks and online communities are helpful for knowledge sharing and providing help or services at lower or zero cost. These communities and networks automatically become facilitators for marketing and word-of-mouth.

*“We put a lot of effort into maintaining personal relationships. And that’s what got us going. And you put a lot of effort into personal relationships and that appreciation leads to word-of-mouth.” – ****, CT. 21 Aug. 11:00 via physical interview.*

Having friends or family members with special skills and knowledge accelerated the startup process for many of the interviewees. Once again, economic position often guides the social circles people adopt.

*“My boyfriend is good with writing code and backend computer stuff so I was lucky to have him there on hand. I didn’t have to go and pay a designer to make little changes for me. He could help me with that.” – ****, CT. 1 Oct. 16:00 via Skype.*

It is not only useful to get help from family and friends; the desire for learning is what got most of these entrepreneurs going.

*"My husband then bought me CS6 illustrator and we sat there and I was looking at all these things and looked at more YouTube tutorials and eventually just started really learning." – ****, CT. 20 Aug. 10:00 via Face Time.*

Creating experiences and building stories around a brand engages clients and followers. Building communities accelerates word-of-mouth, provides support, information and builds trust. Establishing unique brands that stand out among the masses earned these entrepreneurs a good following.

Having a plan is however essential. This is key for both the business as well as the marketing. Planning for expenses and setting up a "safety fund" can help with cash flow. Without a good marketing strategy, an online business is likely to fail. Putting money back into their business took these entrepreneurs far. Understanding the financial requirements and earning more than is spent is beneficial.

*"But it's also good to have a plan, to know where you want to go with your product and to create a story around your product–that's so important." – ****, CT. 1 Oct. 16:00 via Skype.*

*"Make sure your product is unique. Because if I can compare to Pick n Pay or Woolworths, there's no point." – ****, Jhb. 3 Sep. 15:00 via Skype.*

Engaging with buyers and communicating with them earns trust and feedback and builds rapport. Being personal, friendly, polite and quick to respond is essential. Following up and making sure customers are happy is also important. Excellent customer service has proven to be the best way in acquiring loyal customers. In many occasions, giving prompt service to unhappy customers turned them into lifetime fans.

"It landed at a post office where no-one can find anything ... so I sent her a replacement package and luckily it [the original package] was returned to me as

*'never collected', and the customer has ordered from me again this month, so it helps to have good customer service." – ****, CT. 3 Sep. 15:00 via Skype.*

*"I feel like they feel very supported in this platform. And I think that's partly why they like working with us so much." – **** and ****, CT. 23 Sep.10:00 via Skype.*

*"We love Instagram, it's the best for us as it's really visual and we can tell our followers about our story. Showing them how we make our products and what we are up to. It's very conversational." – **** Aug. via questionnaire.*

As mentioned many times before, passion is essential and can propel you towards success.

*"So a lot of my customers can feel my passion when I sell my shoes. They can feel the energy." – ****, Jhb. 3 Sep. 15:00 via Skype.*

*"What keeps entrepreneurs going–this passion and you want to keep it going and growing and you will find ways to make it sustainable." – **** and ****, CT. 23 Sep.10:00 via Skype.*

The rapidly changing online environments require entrepreneurs to be highly adaptable in their personalities as well as their business models. Staying up to date and regularly engaging with clients and ensuring good search engine optimisation is as important as a good understanding of social marketing.

*"With an online business you've got to be a lot more adaptable–you're probably gonna change things every week." – **** and ****, CT. 23 Sep.10:00 via Skype.*

The following table (Table 3.10) contains a summary of all the success factors mentioned by the interviewees during the empirical study. Based on the feedback on success factors, e-commerce can have plenty of benefits for the entrepreneur and her community.

Table 3.10 Key success factors for e-commerce

1. Building trustworthy brands.
2. Engaging with social networks and building communities or *tribes*.
3. Having a desire for learning and a can-do attitude.
4. Creating stories and experiences to engage customers and followers.
5. Planning for business and marketing.
6. Managing expenses and putting as much money as possible back into the business.
7. Being friendly, polite and quick to respond. Providing excellent customer service.
8. Being passionate about what you do.
9. Being adaptable in business and personality.
10. Having good knowledge of SEO and social media marketing.

3.6 E-COMMERCE BENEFITS

The most important benefit of e-commerce is the fact that it facilitates entrepreneurship by making it so easy to setup an online store. Self-employment leads to empowerment of women because they are in control of their own time and earning capacity. They have more control of their lives and their careers. They can control and create their own brands. It creates jobs not only for the entrepreneur herself but also for those who help her and those within her supply networks. It therefore stimulates the economy.

The externalities are positive. In creating a small business, some of these women were able to employ others, many in the form of part time jobs. For example, interns, assistants, bookkeepers, admin ladies and unskilled labour.

*"I've got helpers sometimes. I've got a P.A. part time and part time helpers - they help me pack some of the stuff. And marketing is also outsourced to my friend who does my Twitter. And I've got agent in Western and Eastern Cape." – ****, Jhb. 3 Sep. 15:00 via Skype.*

These employees may not yet earn much from this style of employment but they learn valuable skills only obtainable by "doing". Mentorship could be one of the most valuable benefits that come out of e-commerce. However, there is a clear need or desire for a community network that brings these likeminded women together, especially in Gauteng. Working women can use the Internet to earn an extra income

through part time freelance work or having an online store as a hobby. It stimulates the need for a creative outlet.

As can be seen from Graph 3.1 the flexibility and freedom it brings (working from anywhere/at any time) makes it one of the most convenient industries to be in for women, especially for mothers. This includes the ability to work from home. It allows most of the entrepreneurs in the study to have an improved work/life balance and take care of their families in the best possible way.

The building of communities is another very important benefit of e-commerce. As mentioned earlier, these communities also provide the much needed word-of-mouth marketing, information sharing, support, help, advice, feedback and engagement (even for extreme introverts). The sharing that comes with e-commerce makes it a powerful tool for empowerment.

As mentioned several times in the literature review, e-commerce opens up bigger market access. This does not only imply that entrepreneurs can now sell internationally. It points to the fact that women can sell their items to the most remote areas within South Africa. Luckily, couriering has provided an alternative solution to the South African Post Office–which has become completely untrustworthy. Not only has the courier services in South Africa become more affordable, it is also a convenient way of getting products to clients nationally.

E-commerce also makes it easier to find suppliers. The convenience of e-commerce is noteworthy and covers many elements such as speed, 24/7 availability, easy payment systems and having everything in one place, from point of sale (POS) to marketing to getting inspiration.

*“I have an egg donor company–that’s my job–we run an egg donor database ... So we match people who want to donate an egg with people who need an egg donor. And most of my customers are from overseas so 99% of what I do is online.” – ****, CT. 7 Sep. 14:00 via phone call.*

*“We used the internet to connect us with the rest of the world and sell our products.” – **** Aug. via questionnaire.*

E-commerce allows entrepreneurs to collaborate with anyone anywhere. By using *Skype*, *WhatsApp* and *Dropbox*, employees can work from home or even from another city.

*“I run my entire business off Dropbox.” – ****, CT. 7 Sep. 14:00 via phone call.*

E-commerce has many cost saving benefits, such as free online marketing, cheap store platforms who negotiate cheaper courier rates (which reduces overhead costs), working from home, using cheaper digital communication networks and reducing inventory cost when making “to order”. The online store is also a cheap marketing tool in itself. The low fixed cost component of having a blog or online store results in higher contribution margins, which means that these e-commerce businesses are low risk.

*“I would say the first thing is how easy and cheap it is to start. Because you can work out of your house from your computer, you don’t even need to make stuff. If you’re an artist you can probably make stuff and just sell downloads so it is so easy to start.” – ****, CT. 25 Aug. 19:00 via Skype.*

A benefit of using websites such as Shutterstock.com and Freelancer.com is the fact that you can sell your products or services to an international market, at a more competitive rate than many competing countries.

E-commerce is bringing back craft and skill. People can use their crafts and talents to make money. Many people are going back to buying high quality, environmentally conscious products. This creates opportunities for people to go back to craftsmanship. Bringing back craftsmanship and artisanship could perhaps bring back the self-confidence needed in the rural areas.

The majority of literature sources reiterate the need for better education and better schooling in South Africa. What makes the Internet so extraordinary is the ability to

learn anything on it. Apart from teaching skills, the support it lends to craft can once again give uneducated artisans the opportunity to earn a living. Thus, many of the older women, who are unwilling retrain and get an education can, with the help of entrepreneurs, use their inherited skill and talents to make money.

With e-commerce, an entrepreneur can be whoever she wants to be online. She can build her own brand. Having an established online brand leads to trust. She can literally “fake-it-till-she-makes-it”, which is beneficial as it builds self-confidence while being cost effective. The important thing however is to stay true to herself and brand. She cannot pretend to be something she cannot keep up with or something she cannot deliver. It has to be real, otherwise people will not engage with it and they will see her as a fraud.

*“And we created the whole business aesthetic around this luxurious beautiful place and it was run form a garage next to a KTM and a kayak. So you can create your brand regardless of the background where you operate your business. You can create the idea of a luxury online shop without there being any luxury.” – **** and ****, CT. 28 Aug. 9:30 via Skype.*

*“Have that image to people that you are a cool, big established company and they will buy into your brand. I could be controversial in saying this but I do think having the image I just mentioned will work so much better for your brand than an Instagram feed for an online store that looks like a hippie mom at soccer practice in the afternoon who is juggling too many things, and an online store.” – **** Aug. via questionnaire.*

As mentioned earlier, e-commerce is a less intimidating space. Entrepreneurs can solve problems with less stress because clients are not there to physically harass them.

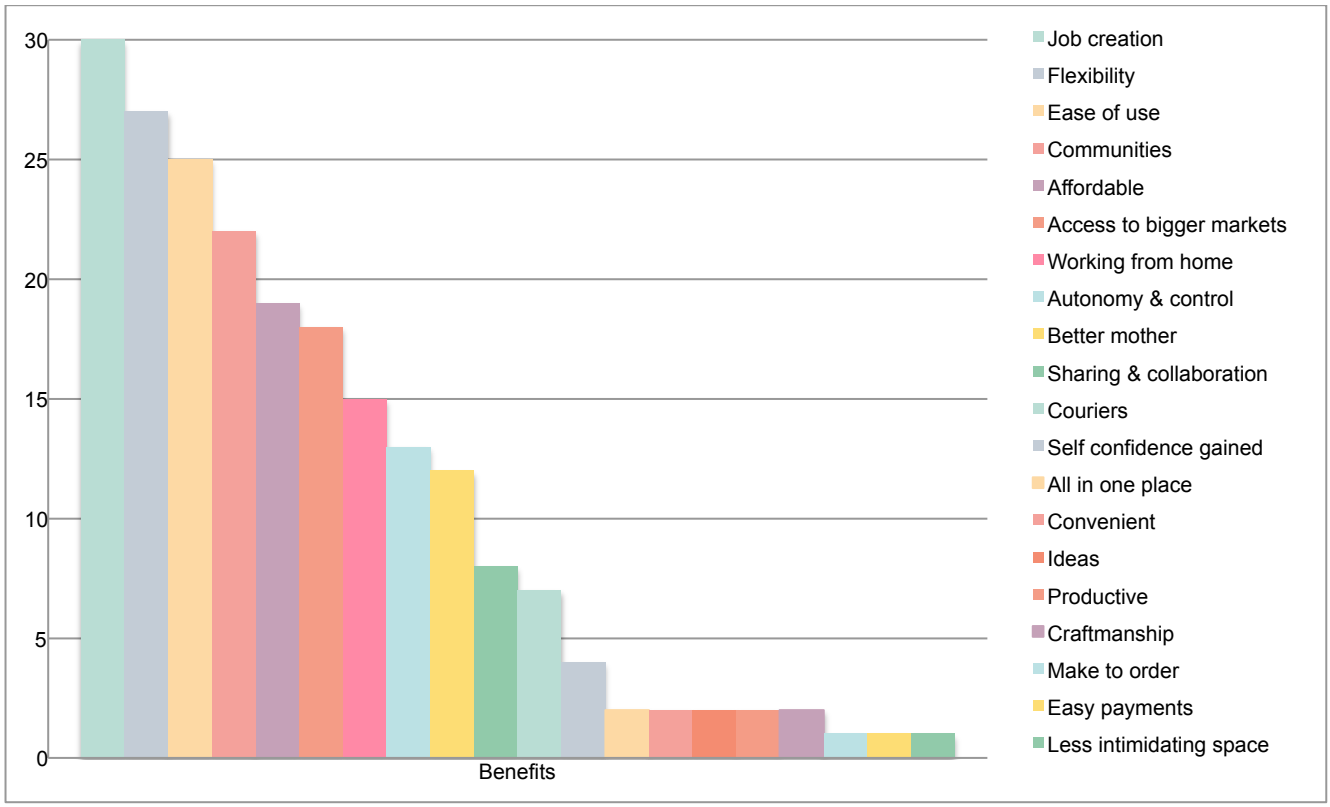
Dealing with customers via the Internet is also easier for many of the entrepreneurs. Being an entrepreneur and having an online store has reduced many of the gender issues that affect women entrepreneurs, which empowers them and builds their self-esteem. It is thus a critical tool for building self-confidence.

*"Ever since I started working for myself I haven't had those challenges." – ****, Jhb. 9 Sep. 19:00 via phone call.*

*"My mother was a stay-at-home mom, she raised four kids and never worked or anything like that. Her access to the world was really regulated by my father or by the local library and when she got this iPad it did amazing things for her. Her whole personality and self-confidence–it opened up a whole new world. So certainly the Internet for anybody, and for older women is empowering." – ****, CT. 7 Sep. 14:00 via phone call.*

As indicated by the previous paragraphs, e-commerce offers various benefits for women entrepreneurs. These benefits make it an attractive career choice, especially for women. E-commerce can bring in the work-life-balance that most mothers with career aspirations dream of.

Graph 3.1 E-commerce benefits



Source: Extracted from MaxQDA software.

Graph 3.1 provides an overview of the most popular benefits based on how many times they were revealed during the interviews in descending order, with the most significant benefit being job creation. This summary encompasses the discussion above as well as some benefits that weren't discussed in detail such as made-to-order benefits and autonomy.

3.7 E-COMMERCE CHALLENGES

A big challenge for e-commerce businesses is getting exposure online. This applies to search engine optimisation, as well as getting a decent following and gaining market share. Brand awareness and effective marketing are huge challenges, especially for those with a limited amount of budget for *Facebook* advertisements and promoted posts, for example.

*"Media exposure, how do I get my brand exposed to people sitting in Cape Town or Polokwane or whatever?" – ****, CT. 21 Aug. 11:00 via physical interview.*

*"I think the most difficult thing is to get your market and to find your clients. That's the most difficult–to get yourself known and get people to start buying and believing in your products. That takes a long time." – ****, Jhb. 23 Sep. 12:30 via phone call.*

South Africa's disreputable postal system and high international shipping fees are two large challenges that many of the entrepreneurs still face. There are however, various different views regarding the South African Post Office. Although all of the entrepreneurs agree that the South African Post Office can be unreliable, some agree that it is still better to use the South African Post Office for international shipping, whereas others say that it is too much of a risk, a courier must be used instead. It seems acceptable to use the South African Post Office to send products out of the country but not to bring products into South Africa or posting regionally.

Several of the women revealed challenges relating to the technological side of e-commerce. For example, those entrepreneurs who were online before *Shopify* or *Shopstar* existed, had to have websites built at high cost. These websites were often

static *WordPress* sites which were complicated to change and too costly to add new things to. Most of them have now moved to *Shopstar* of *Shopify*.

*"And that's the other thing; I couldn't add photos or take photos off. So if I discontinued lines I had to go through Steve to do it." – ****, Jhb.16 Sep. 11:00 via phone call.*

*"I paid R8000 for the site and for me it was a lot of money for something I am not happy with." – ****, Polokwane. 1 Sep. 9:00 via Skype.*

For many, the initial setup on *Shopstar* or *Shopify* was a lengthy and complicated process. This is mainly due to the amount of work that goes into uploading products and their descriptions and setting up policies and procedures.

*"Especially when I tried to figure out how to do stuff on Shopify. Because it was quite difficult and took hours. I am now very far behind on all the new products I have to upload." – ****, CT. 3 Sep. 15:00 via Skype.*

Some of the interviewees mentioned other technical challenges such as website issues and people (customers) struggling with payment gateways.

Cash flow was an obvious obstacle for most of these women, especially for those working with rural women. They had to pay 50% deposits for every order and often these women would sell the products to someone else before the entrepreneur could collect her order.

*"Things that bring most stress are money. Especially when you start and you invest a big sum of the money and you go 'great'. But then you're already too far into it to quit." – **** and ****, CT. 28 Aug. 9:30 via Skype.*

The lack of sufficient time also seems to be a big challenge. Managing the content on the website platforms takes an enormous amount of time that could be spent more productively elsewhere. This is particularly problematic in this constantly changing environment. Because many of these businesses are so young the entrepreneurs

end up doing everything themselves. Being this busy with the day-to-day tasks prevents them from being able to learn new things that could make their jobs easier.

*“We need to like constantly rethink our business model and selling and there’s a way I’m pretty sure we can become sustainable. Its just as **** says, we have to split our time now and its always difficult when you can’t only focus on one thing but I mean, I just said, it grows every month.” – **** and ****, CT. 23 Sep.10:00 via Skype.*

Trust is a big issue in South Africa. The typical South African is still wary of buying online. Payment is therefore a challenge. People are skeptical and want to see and feel the product in real life before buying them. This has forced many of the entrepreneurs to open up a studio or a physical store where people can view the products or try them on. Furthermore, the South African market is still quite small when it comes to online buying power.

*“Initially a lot of artists were very weary of the platform and of me. Because they have to trust us ... So that was probably the biggest challenge in the beginning.” – **** and ****, CT. 23 Sep.10:00 via Skype.*

*“I don’t think they trust the systems. They just want to email and ask us if we are real people and ask for a physical invoice. I think they like that personal interaction. It is weird because we have all the functionalities of Shopstar, PayFast, PayPal even an EFT link–you have everything there, our email address as well as our phone numbers, but customers prefer to interact directly with us, building a personal relationship, rather than only being an online entrepreneur.” – **** and ****, CT. 28 Aug. 9:30 via Skype.*

Another challenge for these women is banks. From trying to open bank accounts and poor service to exuberant banking fees. It seems as if South African banks are not willing to support small businesses. Funding in general is still a pertinent issue.

*“Bank fees are astronomical and the banks are very monopolistic here. So that’s been a real fight and even getting the credit card system.” – ****, CT. 21 Aug. 11:00 via physical interview.*

*“They look at small businesses–they look at job creation–they run like hell.” – ****, Jhb. 2 Sep. 15:00 via physical interview.*

The amount of online competition is big in the jewellery, decor and craft industries. Many people find their Inspiration on *Pinterest* and end up producing similar products. Others professed how Chinese copycats are threatening their sustainability. Those who sell to corporates find that government and large organisations tend to be less supportive of local products when they can get cheaper products elsewhere.

*“There’s a certain brand at the moment, it’s a South African drink, and there’s a possibility of making 350 000 beaded key rings. But we’re competing against four other Chinese products. 350 000 products can help 700 families for six months. But they don’t look at that. They look at what’s the least hassle.” – ****, Jhb. 2 Sep. 15:00 via physical interview.*

Although some entrepreneurs mentioned competitor bullying and criticism from clients or peers, it did not seem to deter them too much. Indeed, some of the entrepreneurs who were doubted by their friends or family, succeeded in order to prove them wrong. Thus, the biggest challenges are sometimes the biggest opportunities.

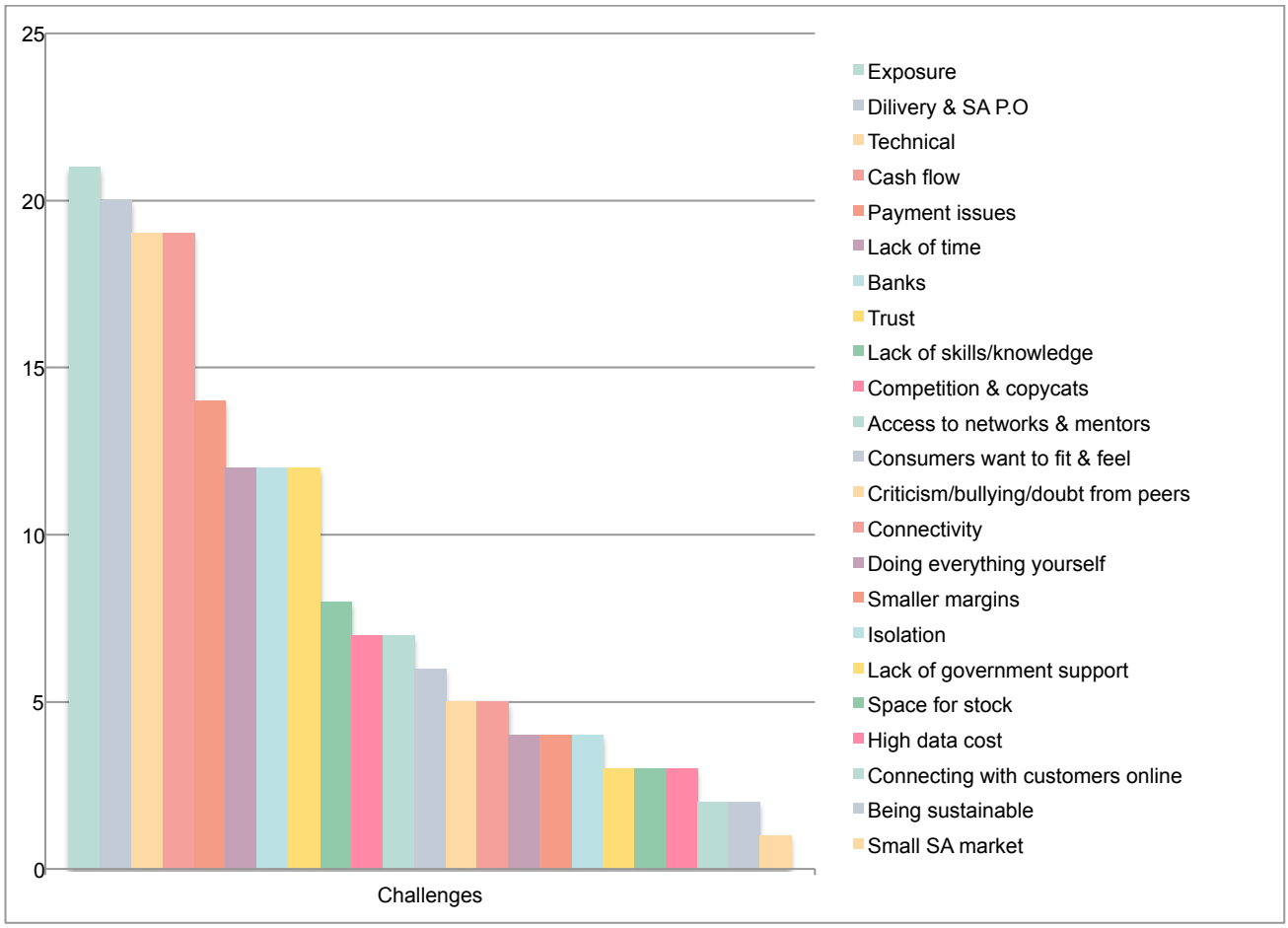
As mentioned earlier, there is a major need for networks that can provide mentorship and advice or financial support, especially in Gauteng.

The interviewees also mentioned a few challenges relating to stock, such as space for keeping inventory (especially in rural communities) and having enough stock to keep online customers as well as brick and mortar stores happy.

Other challenges that were mentioned include small margins, high data cost, connectivity issues, connecting with customers offline, isolation, business registration, South African Revenue Service (SARS) issues and having their personal details online and being disturbed by customers at odd hours.

Although being a woman clearly has its benefits online, some of the entrepreneurs still struggle to be taken seriously. In addition, many of the women found it difficult to market their own goods because they do not want to appear boastful. Wirework has cannibalised much of the bespoke beadwork market. For women who used to do beadwork, their craft is lost. Furthermore, the wirework is mostly a male craft, as it needs strong hands.

Graph 3.2 E-commerce challenges



Source: Extracted from MaxQDA software

As summarised in Graph 3.2, there are quite a few challenges regarding e-commerce. Thankfully, most of them are conquerable with sheer drive and passion. The opportunities and benefits still outnumber the challenges in terms of weight and the positive externalities they create.

3.8 E-COMMERCE OPPORTUNITIES

Apart from the learning and job creation opportunities, e-commerce holds a vast amount of potential and has a promising future in South Africa. As mentioned earlier e-commerce can lead to numerous rewarding opportunities.

*"We have so many avenues that we can pursue that can be hugely beneficial. I mean getting people like that on board as well, will open up an entirely new art collectors market. Like the township tours and eventually tourists and all sorts of things. So it's just a matter of having enough time and focus ... I think you could do really well and it's kind of open to a whole lot of different things, like you can have your own online/ e-commerce store that is township tours or come have a lunch at my house or something, like you can be really creative with it. It doesn't have to be like a buy a product or something physical sort of thing. So I think with better education and opportunities given, there can be huge, exciting, different ways of looking at e-commerce." – **** and ****, CT. 23 Sep.10:00 via Skype.*

The interviews pointed out a few significant opportunities for example, creating online flea markets. This is what websites such as *Hellopretty*, *Gumtree* and many others are doing. What is still lacking is the access of these sites for rural communities. Their biggest challenges are not the lack of product or talent, but the inability to get those products to the market. This is where women from middle class communities can make a difference. By utilising the skills of unemployed yet talented rural women, she can bridge the gap between the product and the market. In this way, she can earn an income herself and empower others. It has to be a win-win for all parties though. Exploiting this scenario will not be sustainable if not in a win-win model. Therefore, the key to empowerment for all women might lie in the form of collaboration; taking hands and bridging the economic divide.

E-commerce has the opportunity to encourage environmentally friendly living (by allowing people to work from home and drive around less) and creates support for longer lasting, better quality products.

*"Going back to quality goods and slowness is more sustainable and to survive in this world and to keep our world alive, we need to do that. And I think that's what's causing the whole shift towards the handmade, the unique, as opposed to the mass produced. People are realising that mass production isn't sustainable and that in this crazy, busy, frenetic world, calm is achieved by owning less things." – ****, CT. 1 Oct. 16:00 via Skype.*

The Internet brings the artist and the market together. It not only expands markets but also closes the gap between the market and the artisan (or the producer and the consumer). The Internet has become the middleman in a sense. In addition, customers do not have to be only individuals; e-trepreneurs can also sell to businesses and corporates.

Neighbourhood or community online groups could help rural people come together. Mobile phones hold a big opportunity for Africa and the future of e-commerce. People can use *WhatsApp* for example, to sell fresh produce or food or other products through community chat groups. Having mobile enabled e-commerce sites can create a mobile commerce market, which reduces the need for infrastructure such as an Internet line and a physical computer. There is even a possibility for women to manage their online stores from their mobile phones.

*"These women shouldn't be looking at it on their own–not that old model of putting your storefront on the Internet. How do we come together? Because this is what the Internet does, it builds communities. So how do we come to an online community to the benefit of all of us who are sellers plus the buyers?" – ****, CT. 7 Sep. 14:00 via phone call.*

Another opportunity of e-commerce is in educating people about their heritage and bringing back the love for tribal items and collector's items.

In some markets, according to one of the interviewees, an informal mafia prevents new entrants to sell their products. An e-commerce market could potentially provide these women with a less threatening environment to sell their products. However, someone who has the technical ability and the leadership to guide these women

must facilitate the process. This is something many of the entrepreneurs are already starting to do. They explain it as follows:

*"It gives her a chance through us to put her stuff on a platform and reach people. She has the ability to start her own online shop, but not necessarily wants to, independently–it's easier for her to sell through us." – **** and ****, CT. 28 Aug. 9:30 via Skype.*

3.9 SUMMARY

This research interviewed a total number of 22 female South African entrepreneurs during the empirical phase of the study. The researcher asked these women to discuss their own online businesses, how they operated and which resources were required to setup their businesses. Their feedback revealed the many online solutions that are available for earning an income for example, social media such as *Facebook* and online shopping platforms such as *Shopstar* and *Shopify*.

During this discussion, the importance of building a successful online brand became apparent. Due to the relatively young age of e-commerce in South Africa and consumer distrust, it is critical for e-trepreneurs to build rapport by engaging with consumers in the form of online communities.

For most of the entrepreneurs, the need for a creative outlet and having passion for what they are doing were their biggest reasons for starting their online careers.

It also became clear that social marketing is one of the most important aspects in an e-commerce business. Social media platforms such as *Facebook, Instagram, Twitter* and *Pinterest* are invaluable tools for community building, brand building, learning, sharing stories, creating experiences and facilitating word-of-mouth for their brands.
Apart from social media networking, the study revealed the importance of existing networks and physical networking. Networking also includes reciprocation and collaboration between different brands. It is also useful for finding suppliers, learning

new skills and engaging with customers on a personal level. The use of personal networks of friends and families was pronounced during the discussions.

Most of these women share a common desire to learn as well as optimism towards online learning. It became evident that anything could be learnt on either *YouTube* or *Google*.

The women also discussed the sustainability of their online ventures. This revealed the opportunity of e-commerce for facilitating employment, albeit in a small way.

Since all of these women came from middle class and privileged backgrounds, it was crucial to investigate the various factors that influence e-commerce adoption, such as the availability of resources, demographic and geographic influences, historical background influences, socio economical influences, personality traits and prominent industries. Investigating these factors revealed that most of the women fell into the same demographic. Having access to resources such as a computer and the Internet reduces much of the required setup costs for starting an online venture.

The young age of the industry and South African traits clarified why these businesses are still relatively young and run by younger generation women (between 28 and 34). Furthermore, investigating their historical backgrounds revealed that skill and experience build self-confidence, a critical personality trait for being an online entrepreneur.

An investigation of the socio-economic situation also revealed why e-commerce is not yet completely viable for reducing unemployment in rural areas. However, most of the women seemed optimistic about the future opportunities that lie therein.

It became apparent that the most suitable industries for e-commerce are those that sell simple items. Items that one has to fit or try on are more challenging to sell online.

During the interviews, various key success factors for e-commerce emerged. These include the building of networks and *tribes*, support from family and friends, building

stories around one's brand and engaging with clients on a personal level. Once again, having passion and being adaptable in business and persona is beneficial.

The interviewees discussed a number of e-commerce benefits. A significant benefit is how e-commerce gives voice to the less outspoken and how it is bringing back the desire and admiration for artisanal craftsmanship and quality hand-made products.

Although these e-trepreneurs face many challenges, they conquered most of it by finding alternative solutions or going online and learning about it. Some of these challenges include technological issues, lack of skills, high international delivery cost and the skepticism of the South African population.

Finally, the study revealed several opportunities for e-commerce. These opportunities ranged from online markets to mobile commerce. This prompted various solutions and ideas on how e-commerce could be accelerated in South Africa, which will be discussed in Chapter four. The following section will look into building self-confidence in women, creating networks, mentorship programmes and training.

CHAPTER 4
CONCLUSIONS AND RECOMMENDATIONS

4.1 INTRODUCTION

Given the high unemployment rate in South Africa, it is crucial to explore all possible opportunities for income generation (Herrington & Kew, 2013:10). Women can stimulate the economy by sharing their wealth and knowledge (Lerner *et al.,* 1997:315-317). By fostering e-trepreneurship in South Africa, South African women can be equipped with new ways of earning an income, contributing to the economy and reducing unemployment (Goyal, 2006:2; Herrington *et al.,* 2014:30; Kelley *et al.*, 2013:11).

The purpose of this chapter is to conclude the empirical study by summarising the findings on how women in South Africa are using the Internet to earn an income. A review of factors that influence adoption and of the most prevalent challenges and benefits of e-commerce supplement this section. This is followed by recommendations on ways to accelerate the use of e-commerce among South African women.

Chapter four further revisits the research objectives and provides a critical evaluation of the primary and secondary objectives before concluding with suggestions on future research. Throughout this chapter the entrepreneurs will be referred to as e-trepreneurs as a culmination of e-commerce and entrepreneurship.

4.2 CONCLUSIONS ON THE EMPIRICAL STUDY

After the empirical study, data was analysed with the help of CAQDAS software, MaxQDA. The researcher made use of memo writing and by comparing retrieved segments of text, she was able to identify several patterns relating to how women are using the Internet to earn an income. The following section discusses these patterns

under the headings branding, creativity and passion, social media and marketing, networking and engagement, learning online, sustainability of e-commerce, and e-commerce for unemployment. The ensuing section also discusses the factors that influence e-commerce adoption, as well as the benefits, challenges and opportunities of e-commerce as experienced by the interviewees themselves.

4.2.1 The use of e-commerce for income generation among South African women

The majority of the 22 women who participated in the research earn an income through an online store. Most of them are between the age of 28 and 38. They earn a living by selling products and services online. Although many of them started out selling on free platforms such as *Etsy,* they now run their own websites on affordable e-commerce platforms such as *Shopify* or *Shopstar,* with built-in payment gateways provided by *PayFast* or *PayPal.* There are various affordable online flea markets, where women can sell their goods for example, *Hellopretty.* These platforms have opened up a new world of possibilities for e-commerce. These findings correlate with the recent UNCTAD (2015:46) report as noted in the literature review.

4.2.1.1 Different ways to earn an income

A few of the women earn money through blogs from native advertising or banner ads. The most significant potential of blogs (and websites) however, is the additional opportunities it creates by opening up various alternative avenues for income generation. A blog is thus a powerful tool for marketing one's capabilities to the world.

Goyal (2011:26) notes how the Internet has promoted self-employment and women entrepreneurship. This is also true in South Africa as seen in this empirical study. Indeed, it seems that more women are utilising e-commerce than realised by previous literature. In 2013, Kartiwi and Gunawan (2013:4) claimed that far greater opportunities exist for e-commerce than is currently exploited. These authors were correct in their anticipation of the lucrative opportunities that the Internet holds, especially for the future of South Africa. The empirical study shows how the industry

has grown in the past few years, which is supported by Spagnoletti's (2014), prediction of future growth rates of over 30%. This shows a promising future for e-commerce in South Africa.

4.2.1.2 The importance of a brand

According to the literature, brand recognition is increasingly important due to increased global competition (Goldstein & O'Connor, 2000:16-18; Mirmiran & Shams, 2014:83). However, from the empirical study it becomes clear that building a reputable online brand is also critical for facilitating trust. Trust is an indispensable factor in the skeptical South African e-commerce consumer market. It builds relationships and can lead to other entrepreneurial opportunities.

According to the empirical findings, social media platforms and social networking are the most effective ways of establishing a brand. This supports Ruhode (2011:85) and Ukpere *et al.* (2014:554) by showing that locally, women entrepreneurs are also leading the "social media revolution" by utilising the tools to create a competitive advantage.

4.2.1.3 The need for a creative outlet

Most of the women in this study started their online careers purely as a creative outlet. A deep passion for what they do fuels their success. This passion creates an energy felt by their customers and followers and also carries them through demanding times.

This study supports Ukpere *et al.* (2014:553) in their view that passion is indispensable for women entrepreneurs. It also proves that these women are opportunity-driven e-trepreneurs instead of necessity-driven e-trepreneurs, as explained by Herrington *et al*. (2014:25), which holds more promise for the sustainability of their businesses and which also indicates a possibility of job creation.

4.2.1.4 Marketing and the importance of social media

Word-of-mouth is the most popular form of advertising for e-commerce stores and blogs and thus fuels the necessity of a strong online following. *Facebook* offers cheap, targeted advertising–an indispensable tool for creating online awareness. E-trepreneurs also use *Instagram* to build communities (*tribes*) and create stories, which stimulate engagement. These communities not only provide word-of-mouth but also form critical support networks and learning (sharing) environments. Tribes also help to build self-confidence–a crucial personality trait for e-trepreneurs. Community building becomes one of the most important factors for successful e-commerce.

Forming relationships with bloggers and other online shop-owners is a useful marketing strategy, as it promotes reciprocation and collaboration. Consistent online engagement (and search engine optimisation) is critical for gaining exposure online.

Jennex, *et al.* (2004:280) note that advertising is important, but not critical in e-commerce. The outcome of this empirical research however, does not support this statement. Furthermore, Spencer, Harding and Sheahan (2104) note how social media is vital for business success. According to these authors, “social media marketing can help you persuade; command attention; establish dialogue; differentiate yourself; capture new markets; and outmaneuver the competition–all on a shoestring budget”. This is exactly what the interviewees have proven with their own businesses. Social media is therefore not only a marketing tool, but becomes an online community of support and belonging.

4.2.1.5 Networking and engagement

The interviews showed that online and offline networking is not only essential for creating brand awareness; it also opens up opportunities such as free advertising, knowledge sharing, collaboration and building trusted supplier networks.

Many of the e-trepreneurs attribute their success to supporting friends and family who provided knowledge, funding, support and/or affordable assistance when they

started out. As underpinned by literature (Ukpere *et al.,* 2014:554; Haque & Bin Quader, 2014:66), networking is the backbone of e-commerce.

4.2.1.6 Learning and the power of *YouTube*

Most of the women claim to have learnt everything they need to know online. Although previous jobs supplied some of them with useful skills, knowledge and networks, the best way to learn is clearly by doing. The desire to learn is a significant trait shared amongst all the interviewees. There is thus a trending shift from women blaming their lack of skills on their circumstances, to them teaching and enriching themselves online.

These empirical findings challenge the literature somewhat on the indispensable need for *formal* education (Kelley, 2014:31) as most of the e-trepreneurs learnt what they know by watching *YouTube* videos and using *Google*. However, it is important to realise that these women all had good schooling. Thus, even though a tertiary degree is not required, a good primary and secondary education is still helpful.

The empirical research further challenges literature views on the gap between men and women by suggesting that women are more natural online marketers than men.

As seen from the empirical study, e-commerce reduces several of the obstacles of women entrepreneurship proposed by Malaza (2010:76), such as a lack of information and business management skills; family-work balance conflicts; lack of time for training and family pressures. More of this is covered in the section on e-commerce benefits. Some of the obstacles mentioned by Malaza (2010:76) still remain and is discussed later in this chapter.

4.2.1.7 Sustainability of e-commerce

The average age of the businesses dealt with in the study are less than 4 years old. Given this relatively young age and slow adoption of online shopping in South Africa, the sustainability of e-commerce is still unknown. The outlook, however, seems positive.

Despite their businesses being younger than four years old, most of the women are already fully dependent on their online businesses. It should be noted however, that a few of the e-trepreneurs rely on alternative income sources or get financial support from their spouses. As the number of South African online shoppers grows, it promises an optimistic future for e-commerce and empowerment, especially when growth of more than 30% is expected, as mentioned by Spagnoletti (2014).

4.2.1.8 E-commerce for unemployment

By creating self-employment, an e-trepreneur opens up job opportunities elsewhere. As these women's businesses grow, they start employing others. Although many of the jobs are part-time or seasonal, they contribute toward skills development and mentorship.

Apart from creating jobs, the use of suppliers and outsourcing stimulates the economy. It is safe to say that e-commerce can contribute towards alleviating unemployment, albeit in an incremental way. The interviews prove Bahramitash and Esfahani's (2014:295) statement that women living outside of rural areas–with access to resources and infrastructure–could help create jobs for women within.

4.2.2 E-commerce adoption

The following factors were investigated in the empirical research to determine how they influence e-commerce adoption: resource availability, demographics, history, socio-economics, personality traits and specific industries.

4.2.2.1 Resources

According to the interviewees, the most important resources for starting an e-commerce business are a good idea, a computer and an Internet connection. Computer literacy is favourable, but to a lesser degree thanks to online tools and platforms such as *Facebook, Etsy, Shopify, Shopstar, WordPress* and *Tumblr.*

Depending on the industry, little funding is required to start an online store. It is the access to, and availability of these resources that influence adoption. Most of the women who took part in the research already had their own computers and Internet access before starting their businesses. Online platforms such as *Shopstar* and *Hellopretty* have negotiated better rates with couriers, which further reduces financial burdens.

Existing networks and getting help from knowledgeable friends and family members got many of the e-trepreneurs off their feet. A person's Living Standards Measure (LSM) and social class will influence their access to resources. Thus middle-class, educated women are more likely to adopt e-commerce for income generation than their less fortunate counterparts.

Various sources list high cost of resources (Duncombe *et al.*, 2005:4) and setup costs (Orbeta, 2007:2). Based on the empirical findings however, it became evident that setting up an e-commerce store is relatively easy and requires little funding and resources. This is significant as it shows that e-commerce has become more accessible than many may realise.

Although all of the women operate their businesses online, none of them attributed load shedding as harmful towards their business. This is significant, as the recent load shedding schedules severely impacted brick and mortar businesses.

4.2.2.2 Demographic and geographic influences

Age and gender seems to play a notable role on e-commerce adoption. It becomes evident that e-commerce is specifically suited for women for several reasons. E-commerce is beneficial to women, because it provides them with better work-life balance and flexibility and allows them to work in an unthreatening environment.

Women are also natural social media marketers. This makes much of the needed marketing second nature. Once again, e-commerce significantly reduces many of the challenges as stated by Malaza (2010:76) earlier in the chapter.

The younger women found it easier to start e-commerce businesses than the older ones, as they seem to be more technologically astute and adept at social media. Age therefore influences adoption.

Entrepreneurs in Cape Town have a more supporting e-commerce network due to various factors such as: proximity to e-commerce platforms and networks such as the CCDI. The Western Cape appears to be a more nurturing environment for *creatives* than Johannesburg. This may explain why so many of the websites that were found online are operated from Cape Town and amplifies the need for such networks in Gauteng.

4.2.2.3 Historical background influences

E-commerce clearly favours the affluent. A women coming from a privileged background is more likely to adopt e-commerce due to her access to resources, education and job opportunities. Although previous work experience is not a prerequisite for starting an online store, it does provide women with skills, networks and the self-confidence needed to start a business. This may prove why opportunity-driven businesses are more sustainable than necessity-driven ones as explained by Herrington *et al*. (2014:25).

These findings may further explain why many articles argue against ICT development in rural areas due to the lack of education, limited Internet connectivity, illiteracy and immature networks (Rhodes, 2009:49). Subsequently it becomes clear that rural women face more obstacles and therefore need help from outside their rural areas to facilitate employment.

4.2.2.4 Socio-economic influences

Women require self-confidence to start their own businesses. Self-confidence grows in nurturing environments supported by love, intellectual nourishment and support networks. During the interviews, the researcher learned that rural women in South Africa face barriers such as crime, patriarchic pressures and lack of access to physical resources and markets. Low morale and apathy prevents them from looking for opportunities. The empirical findings correlate with Maier and Nair-Reichert's

(2008:46) findings that women's rise in independence threatens existing power structures. Even where a buyers market exists, these women cannot get their products to it due to logistic barriers. Huyer and Mitter (2003:18) state that access to the Internet is the most significant barrier to e-commerce because most of the unemployed live in rural areas. Unless driven by someone from the outside, e-commerce is not a viable opportunity for women empowerment in rural communities.

The feedback given by one of the interviewees (who worked with countless rural crafters) challenges Lerner *et al.*'s (1997:315-317) statement that: women are more likely to share their wealth with others. This may be true for affluent women, but according to the interviewee, rural women in South Africa may be more reluctant to share their income and skills or even a heavy workload.

*"One woman might get an order of 2000 beaded lanyards. She would rather try and do them herself then to share with the whole village and that is the saddest part of it. Because she doesn't only lose the product, but she loses the market for all the other potential people in the village, which is a pity, but that is a severe problem now." – ****, Jhb. 2 Sep. 15:00 via physical interview.*

4.2.2.5 Personality traits

The empirical research supports Kelley *et al.* (2013:11) and Goyal's (2006:2) findings on the importance of self-confidence for female entrepreneurship. It became clear from the interviews that e-trepreneurs consider self-confidence to be a critical trait.

Ambition and passion can lead to success, but only when supported by a strong sense of resilience and courage. Ndubisi and Kahraman (2005:725) reinforce these findings in their literature. The most important trait however, specifically in e-commerce, seems to be adaptability due to the ever changing online environment.

*"With an online business you've got to be a lot more adaptable–you're probably gonna change things every week." – **** and ****, CT. 23 Sep.10:00 via Skype.*

4.2.2.6 Prominent industries

E-commerce promotes artisanship and opens up a new market for hand-made products. Renewed appreciation for high quality, natural, made-with-love craft is being reborn as a type of retaliation against mass-produced, low quality Chinese goods. This is echoed in the research of several researchers (Goldstein & O'Connor, 2000:14; Maier & Nair-Reichert, 2008:47; Migiro & Adigun, 2005:79; Orbeta, 2007:3).

Although books and kitchen utensils remain the best products to sell online (as also seen in the MasterCard survey in Figure 2.1), various opportunities exist for women who want to sell jewellery, decor, hand-made products, art and home-ware. Coincidentally, the most prevalent industries the interviewees operated in, were jewellery, decor, art, home-ware, shoes and furniture.

The majority of South Africans still prefer to physically try on clothes and shoes, which makes the clothing industry more challenging albeit not less profitable.

4.2.3 Success factors

Based on the results from the empirical study, the researcher compiled the following list of success factors for e-commerce:

- Establishing online communities and offline support networks.
- Establishing a unique brand by creating stories, which facilitates engagement.
- Providing excellent customer service in the form of personal engagement and friendliness.
- Being passionate about your business, your brand and your product.
- Constantly planning and adapting the business model and marketing efforts to the ever-changing online environment.

4.2.4 Benefits

Having an e-commerce career has numerous benefits for both the e-trepreneur and her community. Firstly, the ease of setting up and starting out encourages entrepreneurship, which stimulates job creation. For the e-trepreneur, it provides the

necessary flexibility and control for a proper work-life balance. Apart from the cost savings of working from home and making “to order”, e-commerce allows women to earn an income while looking after their children. The benefits brought on by building online communities are numerous and range from information-sharing, to help and support benefits. As also mentioned in the literature review by Ukpere *et al.* (2014:554), e-commerce can provide access to larger markets and isolated regions, thanks to the combined power of the Internet and courier services.

The empirical research supports the literature review in numerous occasions, especially in terms of benefits such as family care, flexibility, control and working from home (DeMartino & Barbato, 2003:816) as well as expanding market reach. Furthermore Lantican’s (2002:57) statement on creating a “virtual world” of idea-sharing and business solutions was echoed on several occasions.

4.2.5 Challenges

Although the benefits seem to outnumber the challenges, e-trepreneurs face various issues. The biggest challenge is getting exposure and building a following. Most of the e-trepreneurs mentioned high international shipping fees (also noted by Cutura *et al.,* 2008:28) and poor service from the South African Post Office as big challenges. Other challenges include technical problems due to a lack of skill/understanding and connectivity, skeptical South African consumers, insufficient time, high data and banking fees and poor service from South African banks as well as cash flow problems, criticism, lack of networks, stock issues and small margins. The lack of time mentioned by the interviewees contrast with the literature (Duncombe *et al.,* 2005:5; Mann *et al.*, 2000:69; Mirmiran and Shams, 2014:83) that mention timesaving as an e-commerce benefit. The latter is probably true when one has sufficient help in the business, but it is not true for those who start out and have to do everything themselves.

As mentioned earlier, the empirical research correlates with some of the challenges stated by Malaza (2010:76) such as lack of role models; isolation from business networks; lack of time for training; financial problems and lack of peer respect (Malaza, 2010:76).

All or most of the above challenges can be overcome, however. For example, e-trepreneurs can solicit the (free) online sources that give advice on getting exposure online. Instead of selling internationally, she can focus on the local market and make use of couriers instead. She can overcome technical challenges by watching online tutorials or getting help from the online platforms such as *Shopstar*. She can negotiate better rates with banks or move to a bank that offers better rates. Furthermore, she can negotiate with neighbours or friends to share uncapped Internet connection.

In conclusion, the benefits of e-commerce outweigh the challenges. Thus, it is safe to say that a woman with a dream, a computer and an Internet connection has covered the basic needs to start an online business.

4.2.6 Opportunities

The empirical findings suggest that e-commerce can lead to numerous rewarding opportunities. Online flea markets may bridge the gap between rural women and their buyers market as the Internet opens up new (and less threatening) markets for artisans and crafters. Mobile phones are creating opportunities for Africa and the future of e-commerce in the form of *WhatsApp* and mobile commerce. Most importantly, e-commerce provides new opportunities for middle-class women to earn an income and possibly employing others.

This research supports Rhodes's (2009:49) statement that socio economic development depends on ICT education and ICT-driven business initiatives, by showing how the Internet can bring the market and the entrepreneur together.

Since many of the women who participated in the study were designers, artists and artisans themselves, the empirical research supports Goldstein and O'Connor's (2000:14) mention of remarkable potential of e-commerce in artisanal in low-tech industries.

Another positive side effect of small e-commerce businesses is its ability to bypass

the challenges faced by bigger South African businesses as stated in the Global Competitive Report 2014-2015, such as inefficient government spending; security issues; an unskilled labour force; restrictive labour regulations and incompetent education (Schwab, 2014:39). Since the risk and funding needed for e-commerce is low, an entrepreneur can operate her business as a sole proprietorship until it reaches a level where converting it into a Pty limited is more sensible. Starting a business in this way is easier and convenient.

4.2.7 Is e-commerce a viable solution for unemployment?

Apart from the socio-economic barriers, the market is still small and the e-commerce industry still young. E-commerce can however, contribute towards economic growth by empowering the middle-class and creating self-employment avenues for the more affluent, which in turn, could lead to job creation and economic upliftment for lower LSM groups. E-commerce further holds uncharted opportunities for the future generations who are more technologically inclined.

The fact that the empirical research challenges existing literature on several occasions motivates the need for further research on women and e-commerce entrepreneurship in South Africa.

Various recommendations were made to accelerate the use of e-commerce for women empowerment.

4.3 RECOMMENDATIONS

The entrepreneurs who took part in the research had numerous ideas on accelerating the use of e-commerce for women empowerment. Based on their feedback in conjunction with the researcher's insights, the following solutions are proposed:

- In order to run their own business, e-trepreneurs need to be self-confident. Thus apart from traditional education, South African girls should receive self-

confidence, networking and communication skills training. Engagement and interaction is the backbone of e-commerce. Giving women self-confidence will encourage them to learn more and try out new things. Work experience gave many of the e-trepreneurs skills and exposure, which in turn, built their self-confidence. Government networks and youth organisations such as the *Indoni*, *My Heritage My Pride Programme*, could focus on creating training that promote self-confidence.

- Internships could facilitate this self-confidence. Hiring young adults as interns or apprentices instead of requiring of them to go to a University first, can teach them the needed skills and knowledge, especially in the arts and crafts sector. This could nurture self-confidence and promote mentorship. Their increased self-confidence might encourage them to set up their own businesses later on. Although higher education is important, young individuals should not be deterred when they cannot afford a tertiary degree. Allowing young adults to work and get experience can, in some cases, teach them more than they might learn at a university.

- To establish a better support system for e-trepreneurs, networks such as CCDI should be created in Gauteng and surrounding areas. These networks will allow e-trepreneurs to meet like-minded women and to collaborate with other brands, share advice and build communities. Companies such as *Shopstar* and *PayFast* could visit Gauteng and host conferences and events where women can learn more about e-commerce. Alternatively, these companies should create online training programmes for women to learn about setting up an online store, marketing their products, packaging their goods, building brands and engaging with customers. This can also be accompanied by mentorship programmes, where women who belong to these networks can mentor younger women who are new to the industry.

*"I think specifically women-wise there could maybe be more tech events that women set up because we've have been doing this for a long time and a lot of these events are just men." – **** and ****, CT. 23 Sep.10:00 via Skype.*

*“If we could just have mentors. If I could have a platform where I can connect with a woman who is in the same industry for longer than I and willing to help me out a little, and to uplift women and put more women at the top of their game.” – **** and ****, CT. 28 Aug. 9:30 via Skype.*

- The problem with entrepreneurship is that it is not a popular career option. Schools teach children to go to a university and then to get a job. Entrepreneurship should be encouraged as much as being an accountant or an engineer. Skills should be taught in schools, such as putting money back into a business; earning more than you spend; communicating with strangers; negotiation; building relationships; finding suppliers and budgeting, to name a few. This can be started by encouraging e-trepreneurship in areas that already have access to infrastructure and resources, such as middle-class areas. Many of the women who took part in the research make use of unskilled labor for help. Part-time jobs encourage mentoring and up-skilling. Not only do businesses grow in this way, it teaches those who “help out”, skills they can use elsewhere.

  Certainly, there is a great deal of women who are stay-at-home moms or housewives who have the desire to do something creative and meaningful but who are unsure of the possibilities that exist. These women should be made aware of the possibilities of e-commerce and how easy it is to start. In this way we can encourage SMME development, which in turn will stimulate skills training and youth development, and create jobs as mentioned earlier.

  *“Help women understand that e-commerce is viable, but it takes time to grow your brand and get customers. It’s not an overnight thing. Workshops and education. Between 10 & 5 this past weekend hosted a women’s business conference where inspiring women spoke. Also, Business of Design is another conference I attended this year. Although it’s not directly about e-commerce it could be beneficial. Also, Word Press often holds meet-ups. I attend those and it helps you connect with developers and learn about the platform.” – **** Aug. via questionnaire.*

- Many people are unaware of the masses of online training and tutorials available. In addition, some of them do not know how to search on Google for what they want to learn. Furthermore, many people do not know what they don't know. Basic Google searching skills should also be taught in schools. Older generations should also be reminded that they can use Google to learn practically anything.

- Government should actively investigate in making Internet cheaper and more accessible for all, including rural communities. The recent uprising of South African students protesting against 2016 fee increases (News24, 2015) demonstrates the desire for accessible education. This means access to information. The Internet holds access to a magnitude of sources of information. This information should be available to all, at an affordable price– if not for free. Resource centres with free Wi-Fi hot spots should be installed in communities, where people can access the Internet via their mobile phones. These resource centres could also become hubs for women to work from.

  *"If you had say a resource centre, where you had like a community computer place. Have someone who is kind of leading and directing–that sort of educational thing." – **** and ****, CT. 23 Sep.10:00 via Skype.*

  *"Do we have craft hubs where women come; we bus them in that they can get there alive? And they work in a craft hub in Khayelitsha? Because I think the worst thing you do is you take a woman out of her community–she needs to be in her community. And I think those hubs need to be near nursery schools and schools so they can be there for their children ... They can use FNB to manage these women's bank accounts–at no cost. And then you place someone who is studying online marketing with them and that becomes their year Honours, that sort of thing ... I think one of the most empowering things is to go back to the craftsmanship we know, so skills like knitting, sewing, embroidery, those are great skills for us to go back to and skills that are muscle memory that are almost genetic memory that we have within ourselves as women." – ****, CT. 21 Aug. 9:00 via Skype.*

- Mobile phones are undeniably a big resource in the future of African development (UNCTAD, 2015:25). Instead of focusing on computer-driven commerce, we should perhaps focus more on mobile commerce. Platforms should be developed that allow people to build online stores on their cell phones. For example, *WhatsApp* could be used to sell food and fresh produce in rural communities.

  "*So maybe instead of selling outside of their communities, sell inside their communities. So what products can we create that people in that area need and will buy and make those products? I think soils for life is a great study. Their idea was to make home gardens and so soil for life does permaculture so they teach people how to grow their own food so what has happened is that people have started selling their food." – ****, CT. 21 Aug. 9:00 via Skype.*

4.4 CONCLUSION

More South African women are utilising the Internet to earn a sustainable income than previously realised. However, e-commerce is more likely adopted by creative, skilled, affluent women who have financial backup in the form of spouses or alternative income streams. Even though it is not yet a viable solution for economic upliftment in rural communities, a number of opportunities do exist. The women who participated in the study have created numerous jobs. This is a good sign for unemployment in South Africa. Education is not as important with e-commerce as the need for self-confidence and the desire to teach oneself. This study has proven that a great deal can be learnt online.

The South African online market is still small, as only a few South Africans can really afford to buy online products compared to the population size. Fortunately for e-commerce, the number of buyers is steadily growing. With this, we are seeing a different breed of entrepreneur emerging–entrepreneurs who do things differently. Thanks to the numerous affordable tools and platforms and growing social media, a sector is emerging where no rules yet exist. For this reason the new generation is

shaping their own ways of doing business. This holds massive potential for e-commerce and empowerment in the future of South Africa.

These findings are significant because it reveals opportunities that did not exist before; a world where women can teach themselves anything, where they can earn an income and build a career without sacrificing motherhood. It is significant because it shows that e-commerce is more accessible than previously perceived.

This study shows that ICT and e-commerce is less intimidating than the literature of Awad and Ragowsky (2008:105) as well as Yang and Lester (2005:2087) proposes. In fact it seems to appeal more naturally to women than to men, especially concerning the social media side of it.

This exposes various opportunities for future research, especially in areas where the research findings challenge existing literature. This study furthermore shows how women can utilise e-commerce and overcome many of the existing problems faced by female entrepreneurs. E-commerce is in fact leveling the playing field between male- and female entrepreneurship, as suggested by Andersson, *et al.* (2007:55). Finally, one does not need any prior training or experience, only a will to learn (online), a drive to work hard and an Internet connection.

4.5 ACHIEVEMENT OF THE STUDY OBJECTIVES

Realising the primary and secondary objectives, defined in section 1.4 in Chapter one ultimately determines the success of this research.

The primary objective of this study was to investigate the use of e-commerce among South African women entrepreneurs to discover *how* they are utilising e-commerce to support themselves financially and to find out which factors influence e-commerce adoption in order to determine if e-commerce is a viable solution for unemployment.

In order to achieve the primary objective, the following secondary objectives had to be addressed:

- To obtain insight into the use of e-commerce among women entrepreneurs by means of a literature study.
- To examine how availability and access to resources; demographics and geographical location; historical background; socio-economic situations; personality traits and industry types influence the use of e-commerce in South Africa.
- To investigate the perceived challenges and potential benefits of e-commerce faced by women entrepreneurs in South Africa.
- To investigate the success factors of e-commerce.
- To measure the opportunity of e-commerce for unemployed women.
- To suggest ways of accelerating the use of e-commerce to facilitate women empowerment based on the research findings.

The study realised the first secondary objective, **To obtain insight into the use of e-commerce among women entrepreneurs by means of a literature study** by doing a literature review on women entrepreneurship and e-commerce for empowerment in developing countries and investigating the existing research on influences, benefits and challenges.

This literature review therefore also delivered the second and third secondary objectives, **To examine how availability and access to resources, demographics and geographical location, historical background, socio-economic situations, personality traits and industry types influence the use of e-commerce in South Africa** and **To investigate the perceived challenges and potential benefits of e-commerce faced by women entrepreneurs in South Africa.** Conducting a qualitative empirical study as discussed in Chapter three and concluded in Chapter four further supported and realised these two secondary objectives.

Both the third and fourth secondary objectives, **To investigate the success factors of e-commerce** and **To measure the opportunity of e-commerce for unemployed women** were realised in the qualitative empirical study as discussed in Chapter three and concluded in Chapter four.

The final secondary objective, **To suggest ways of accelerating the use of e-commerce to facilitate women empowerment based on the research findings,** was realised through the qualitative empirical study and discussed in Chapter four.

Both the literature review and the empirical research supported the researcher in obtaining the first, second and third primary objectives, **To investigate the use of e-commerce for income generation among South African women entrepreneurs; To find out which factors influence e-commerce adoption;** and **To determine if e-commerce is a viable opportunity for income generation among unemployed women.** These objectives are discussed in Chapter three and concluded in Chapter four and provide the grounds for the conclusions and recommendations made in Chapter four.

4.6 SUGGESTIONS FOR FUTURE RESEARCH

This research interviewed a total number of 22 women and although the researcher suspected saturation–it could not be proven. The ideal would be a similar study with a larger sample to gain a more accurate and saturated insight into e-commerce usage by women in South Africa. Enlarging the sample could give more qualitative insights into e-commerce benefits and challenges as well as opportunities and success factors.

The young age of e-commerce makes it a relatively unexplored topic in South African research. Numerous opportunities exist for further research.

Future research could for example, aim to elaborate on the factors that influence e-commerce adoption in the form of a quantitative study, which could be used to develop a model for e-commerce adoption.

The following topics concerning e-commerce for women empowerment in South Africa merits investigation:

- Developing self-confidence as a driver for entrepreneurship among women.
- Culture and e-commerce.
- Online learning as a solution to education deficits.
- Elaborating on the success factors for effective e-commerce.
- E-commerce versus mobile commerce in developing countries.

A duplicate study conducted in a few years, with the same participants, could provide insight into the sustainability of e-commerce and its influence on job creation and unemployment in South Africa.

4.7 SUMMARY

This Chapter concludes the study on e-commerce for women empowerment in South Africa by summarising the findings delivered by the empirical research. It is clear that many South African women are utilising e-commerce to generate an income. The *How* objective is realised in a summary that briefly discusses branding, passion, creativity, social media marketing, networking, engagement, online learning, sustainability and opportunities for reducing unemployment. This section is followed by a summary on the factors that influence e-commerce adoption such as resources, demographics, historical background, socio economics, personality traits and popular industries.

From the empirical research, a set of recommendations provides ideas on how to accelerate the use of e-commerce for income generation among South African women. Ideas include teaching self-confidence; using internships to nurture skills-development; creating mentorship networks; encouraging entrepreneurship in affluent areas; making Internet and data cheaper and more accessible; creating working hubs within rural communities and focusing on mobile commerce opportunities.

In the conclusion it becomes clear that although e-commerce is more accessible in affluent communities, it can contribute to job creation in some way. Furthermore,

rural communities are too isolated and disconnected to realise the benefits of e-commerce alone and the South African e-commerce market is still small and skeptical towards online purchasing. The young age of e-commerce and the untapped opportunities however poses a promising future for e-commerce and empowerment in South Africa.

The research meets all objectives stated in Chapter one through the combination of a literature review and explorative empirical research. Additionally, Chapter four points out where the empirical research supports or challenges literature.

Suggestions for further research mention the need for a more comprehensive study on the same subject with a larger sample. Given the young age of e-commerce in South Africa, countless opportunities exist for future research.

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APPENDIX A

INTERVIEW SCHEDULE

1. I believe women can be empowered through the Internet. What is your view and opinion on that statement?
2. Tell me about your business ... how did it all start?
3. When, why, how did you start it?
4. How old are you?
5. What are your qualifications?
6. Where do you live?
7. Who did you need to know to setup your business?
8. What kind of resources was needed to start this business? (*Money, people, infrastructure, knowledge and skills, online payment system, designer, web platform, hosting*.)
9. Describe the business and industry.
10. What do you think is the best industries for ecommerce and why?
11. How did you learn what you know? For example, did you learn it online, courses or friends?
12. Describe the daily activities you do in the business.
13. How old is your business?
14. From where do you work? Please elaborate.
15. Tell me about your assistants or employees.
16. Do you have more or alternative sources of personal income apart from this site? Please elaborate.
17. Have you considered other revenue streams on your website? For example, through advertisements or affiliates?
18. How can a woman make a good living from an online store such as yours?
19. What are the benefits of e-commerce for you and your community?
20. How do you use social media?
21. Which social media do you make most use of and why?
22. How do you advertise and create brand awareness?
23. Who is your target market and how do you reach them?
24. How do you find and connect with suppliers?

25. What is your opinion on safety of the Internet to sell or buy goods?
26. How are you ensuring online safety?
27. Describe your personality. What type of person do you need to be to make it in e-commerce?
28. What were the most significant obstacles you had to face and how did you handle them?
29. Roughly how much, if any, startup capital was required to start your business?
30. How do you think unemployed women can use the Internet to sell their skills or services?
31. What do they need to do it? (*Contacts, skills, training, resources or knowledge*.)
32. What would you say are the challenges of e-commerce?
33. How has load-shedding affected your online business?
34. Do you think the challenges are different for men and women? Please elaborate?
35. What do you think can be done to accelerate the use of ecommerce among women in South Africa?

APPENDIX B

INTERVIEWEE DEMOGRAPHICS

Interviewee	Demographic	Age	Location	E-com Type	Industry	Business Age	Qualification	Work Experience	Marital Status	No of Children
1	White	29	CT	Shop & Service	Homeware & Illustration	4 years	Fashion Design	Various Admin	Married	2
2	White	32	CT	Shop	Homeware	1 year	Fashion Design	Fashion Design	Unmarried	0
4	White	32	CT	Shop & Service	Wedding	3 years	Business Ethics	Marketing	Unmarried	0
5 & 6	White	29 & 30	CT	Shop	Furniture	1 year	Fine Arts	Advertising	Married & Engaged	0
7	White	38	CT	Shop	Décor & Jewelry	>3 years	Fashion Design & Art History	Various Corporate	Unmarried	0
9 & 10	White	32 & 26	CT	Shop	Art	1.5 years	Economics & Journalism	Own Businesses	Unmarried	0
12	White	32	CT	Shop	Homeware & Décor	>1 year	Interior Decorating	Marketing	Unmarried	0
13	White	23	CT	Shop	Homeware & Décor	2 years	N/A	Own Business	Unmarried	0
15	White	32	CT	Shop	Online Market	3 years	N/A	Web Developer	Married	0
17	White	34	CT	Shop	Homeware & Décor	3 years	Graphic Design	Graphic Design	Married	0
18 & 19	White	47 & 22	CT	Shop	Homeware & Décor	3 years	Fine Arts & Creative Brand Communications	Freelance Designer/ Developer	Married & Unmarried	1
21	White	46	CT	Blog	Fertilicare	15 years	Social Sciences, Human Resource Management & MBA	Various Corporate	Married	4
8	White	34	Jhb	Shop	Shoes	3 years	Financial	Financial	Married	1
11	White	63	Jhb	Catalogue	African Arts & Crafts	4 years	N/A	Marketing		
14	Asian	40	Jhb	Shop	Shoes	>1 year	Business Information Management & Marketing	Fashion	Unmarried	0
16	White	34	Jhb	Blog	Tech for Women	>1 year	Journalism & Communication Science	Journalism	Unmarried	0
20	White	42	Jhb	Catalogue	African Arts & Crafts	<10 years	Marketing	Tourism	Married	2
22	Black	29	Jhb	Blog	Fashion	1 year	Information Design	Design, Production & Marketing	Unmarried	0
3	White	29	Polokwane	Catalogue	Shoes	>1 year	Somatology	Hairdresser	Married	1

Source: Created by researcher based on feedback from interviewees.

APPENDIX C
EXAMPLE EMAIL

SUBJECT: **E-commerce for women empowerment–Please be part of my research?**

Dear *******

My name is Almarie Stander–I am a final year student from the North West University, Potchefstroom. In completion of my MBA degree I am doing a mini-dissertation on how South African women can empower themselves through the Internet. My aim is to investigate how women are utilising the Internet to create or supplement their income. I would like to interview you for my study.

My research will investigate the benefits and challenges of e-commerce as well as the resources and infrastructure required. I am trying to distinguish which industries are best suited for the online world and what type of personality is required to be a successful e-trepreneur. Trough this research I want to answer the question: ***Is e-commerce a viable opportunity for unemployed South African women?*** So I need your help.

If you would like to take part in my research, please reply with a time and date that will suit you for a 60-90minute online interview. I will be conducting my interviews through *SKYPE* or *Face Time* to overcome geographic barriers. However, if you are situated in Gauteng, I will gladly drive to your location for a face-to-face conversation.

Your identity will be kept anonymous and I will share my transcriptions with you for member checking before submitting my paper.

I thank you for your time and look forward to hearing from you!
Best regards, Almarie

APPENDIX D

TOOLS AND RESOURCES TO HELP SETUP AN E-COMMERCE STORE

Hardware	Freelance Platforms	Online Market Places	E-commerce Platforms	Marketing Platforms	Skills	Networks	Learning Tools	Funding	R	Payment
Internet	Freelancer.com	Etsy.com	Shopify	Facebook	Basic computer	Friends & family	Desire for learning	Domain name	79	once off
Computer	Elance.com	Hellopretty.co.za	Shopstar	Instagram	Social marketing	CCDI / SEDA	YouTube	Internet Access	397	p.m. (uncapped)
Camera / Cell Phone	Upwork.com	Thislittlemarket.co.za	Squarespace	Twitter	Self-confidence	Likeminded people	Google	Computer	4000	entry level
	Shutterstock.com	Kinshop.co.za	Facebook	Pinterest		Social media	Friends / networks	Shopstar	200	p.m. (25 products)
		Unsungart.co.za	PayPal	Blogs			Doing			
		Utique.co.za	PayFast	YouTube						
		Takealot.com	Snapscan	Google Ads						
		Superbalist.co.za	Afrihost	Google+						
		Olx.com		Mailchimp						
		Gumtree.co.za		WhatsApp					R 4676	

Source: Created by researcher based on feedback from interviewees.

Transcripts have been omitted for anonymity purposes. They may be obtained upon request.