

Challenges of Women Entrepreneurs in the Fashion Industry: A Study in Kolkata

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ABSTRACT

Women entrepreneurs are a remarkable group of individuals who defy societal norms and explore new opportunities for economic engagement. They possess a strong drive, creativity, and innovation, along with a deep desire to succeed independently. These women are breaking barriers in entrepreneurship and bringing forth ingenuity and fresh ideas when starting and running their businesses. Similarly, the fashion industry presents significant entrepreneurship opportunities, given its landscape filled with numerous small players competing in the fashion market. This study focuses on exploring the challenges and hindrances faced by women entrepreneurs, specifically those involved in the fashion industry. This study has adopted a qualitative research design which was exploratory in nature. The respondents were engaged in the study through purposive sampling and the sample size for this study consists of 50 respondents. The data was collected through in depth interview till the saturation point was reached. The major findings shows that the women entrepreneurs face challenges like managing competition, building networking and marketing, physical security and marketable credits etc.

Keywords: Women Entrepreneurs, Fashion Industry, Challenges.

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INTRODUCTION

In the industrialized world, the word “entrepreneur” has a high level of respect. The word is taken from the French word entrepreneur, which is used to describe someone who takes on the risks associated with starting a new business. The idea of an entrepreneur in economics was initially used by French economist Richard Cantillon. In 1776, Adam Smith wrote the renowned book “Wealth of Nations,” in which he defined the term “entrepreneur”. According to Smith, entrepreneurs are people who responded to market change and subsequently became the financial agents that changed demand into supply. In every society, the entrepreneur plays a crucial role as a change agent. (Blenman, 2016)

It is the dynamic process of creating new wealth, claims Ronstadt (1988). The people who create this wealth do so by taking on the greatest personal, professional, or financial risks in order to add value to a given good or service. Whether or not the good or service is novel or different, the entrepreneur must create value by finding and using the necessary skills and resources.

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The role of entrepreneurship and an entrepreneurial culture in economic and social development has often been underestimated. Over the years, it has become more and more clear that entrepreneurship does really support economic growth. However, men owned a disproportionately large number of businesses (ILO, 2006). In other words, particularly in underdeveloped nations, it was uncommon to see enterprises run by women. Women’s entrepreneurship as a notion and a practice is a new development. Due to the lack of knowledge about women’s entrepreneurship in theory and practice prior to the 1980s, this research exclusively

focuses on male (ILO, 2006).

The entry of Indian women into various business activities is a relatively recent occurrence. Women started to enter the competitive business sector as a result of the breakdown of the joint family system, the necessity for additional money, and the upkeep of living standards. However, women's participation in business has increased dramatically from 4 percent in 1980 to 14 percent in 2013 despite numerous obstacles such as patriarchal dominance, conservative mindset, and prejudice (Business Standard, 2014).

LITERATURE REVIEW

The idea of female entrepreneurship in India is a relatively new one; it first gained popularity in the 1970s, following the country's independence. Women who actively create, launch, or embrace business practices are referred to as women entrepreneurs. Earlier, there were significant changes made to women's position in India. The history of women in India has been chaotic, going from having equal status with men in history to the low moments of the mediaeval period to the championing of equal rights by numerous reformers (Jayapalan, 2000). Even though women have played a significant part in Indian society, little is known about their entrepreneurial skills because of the negative social stigma that surrounds them. Their contributions have only been explicitly acknowledged since the fifth five-year plan (1974–1988), when the focus shifted from women's welfare to development and women's empowerment. Since 1975, one of the top focuses in the country's plans has been the advancement of women entrepreneurs (Sharma, 2013).

Women frequently encounter obstacles when attempting to engage in any unconventional economic activities. The growth and success of women's entrepreneurship in India are discouraged by the combination of multiple socio-economic and cultural factors. (Seth, 2001).

Women's employment duties are instead predetermined by social standards (Srinivas, 1978). However, the same standards tend to characterize men's duties as being paramount. When the disparity between women's labour output and income is wide among the poorer sector, this discrimination is more pronounced. In India, women spend an additional 20% more time working overall than males do (Bhadra, 2012). Furthermore, such a disparity can be noticed in all aspects of labour. According to the 2001 Census, women's labour force participation in urban areas is

lower than that of men's (11.55 percent), and women's labour force involvement in rural regions is lower than that of men's (30.97 percent).

Numerous plans are developed for promoting equality and development for women in order to address the issues of gender inequality in the various spheres of women's lives. Economic engagement, equality in decision-making, property rights, access to justice, right to one's own body, and other prospects for regular employment are all areas that have received particular emphasis (Nandal, 2002).

In recent decades, India has witnessed a gradual transformation in its approach and policies, aiming to enhance freedom and equality for women across socio-economic and political spheres. One prominent strategy that has emerged is empowerment, designed to cater to various gender requirements such as stability, economic independence, self-fulfillment, active participation, and greater control over diverse resources to drive desired transformations. The process of empowerment encompasses fair involvement in decision-making, command over socio-physical-economic resources, and mechanisms to sustain these advancements, alongside improvements in physical and social conditions (Mor and Kumar, 2009).

Women entrepreneurs in Fashion Industry

The characteristics of the fashion entrepreneur profile (which also apply to other creative entrepreneurs) make the entrepreneur potentially subject to difficulties that aren't always pertinent or typical in other industries. The FI is usually regarded as a market that is open to entry. The fashion industry witnesses a substantial number of start-ups due to its low barriers to entry, which include minimal capital requirements and the flexibility of skills needed. This enables a diverse range of individuals with different motivations and backgrounds to become fashion entrepreneurs (Mills 2011).

People adhere to fashion for a variety of reasons. First, they do it to attract attention, using novelty demand and commodity signals as a kind of social communication. Following trends is also a clever method to save money when making decisions that are costly or difficult to undo. Thirdly, it's enjoyable because, when done well, fashion can be rewarding. The nature of fashion cycles often leads to the premature abandonment of consumer goods, including clothing, music, furniture, appliances, cars, and more, before they have reached their full lifespan or value. Each fashion cycle begins with the introduction of a novel

and attention-grabbing concept, which is then adopted by a network of individuals, causing a reorganization of their consumption patterns. In contemporary economics, the prevailing view is that the fashion industry is irrational and inefficient. However, from a Schumpeterian or Hayekian perspective, it appears to serve a more beneficial role by motivating consumers to explore new experiences and acquire knowledge through their actions.

Similar to business entrepreneurship, fashion can be classified as consumer entrepreneurship, operating within the realm of dynamic externalities. The competitive landscape among status-conscious consumers can influence their purchasing decisions, leading to reevaluation. Just as increased competition prompts producers to explore avenues for enhancing productivity, continuous economic expansion necessitates entrepreneurship and risk-taking from consumers. Consumers must exhibit the willingness to buy, learn, and take risks in order to keep up with evolving trends and contribute to economic growth. (Potts, 2007).

The characteristics possessed by a fashion entrepreneur prior to starting their business have a direct influence on the challenges they may encounter during the business-building process. In the fashion industry, it is common for a single creative individual to initiate the business. To leverage their talent for financial success, these individuals must broaden their focus beyond creativity. Decision-making and organizational activities revolve around the ideas and opinions of the entrepreneur. These concepts and ideas, shaped by the entrepreneur's experience, intuition, creativity, and insight, play a pivotal role in determining whether the business remains unchanged, shifts its direction, or continues to grow and evolve. (Mills, 2011).

Masaba Gupta, one of India's top fashion designers who launched her own brand and received numerous accolades, Anita Dongre, who is well-known for her aesthetic styles that have roots in Indian traditions, and Falguni Nayar, the driving force behind Nykaa, who founded this platform with a vision to create a multi-brand omnichannel, are top female fashion entrepreneurs who are making a difference in the industry and leading it with their distinct mindset.

Since the fashion business scene is made up of many little performers who compete on the fashion runway, entrepreneurship in the sector is a generous issue. As fashion design entrepreneurs strive to establish a prominent position in the textile and fashion industry,

they encounter various personal challenges and numerous external obstacles along the way. These hurdles can pose significant barriers to their success as they navigate the competitive landscape and establish their own brand. (Elisa Kurz 2014).

Numerous studies on women entrepreneurs have been carried out, primarily to foster ideas about women entrepreneurs, what makes an entrepreneurial environment favorable to business success, what challenges stand in the way of women entrepreneurs, the issues that confront women entrepreneurs, etc. Women's entrepreneurship in the field of fashion has received relatively limited attention from authors, leading to a lack of substantial literature on the topic.

The major objectives of the study conducted by the researcher are: i. to understand the socio-demographic profile of women entrepreneurs in Fashion Industry in Kolkata; ii. To identify the challenges faced by women entrepreneurs in running and promotion of their business enterprise in fashion industry.

METHODOLOGY

The study was qualitative and exploratory in nature as there is a lack of knowledge base on the selected study area. It was conducted among women entrepreneurs engaged in Fashion Industry in Kolkata using non-probability sampling for conducting the research. The respondents were engaged in the study through purposive sampling and the sample size for this study consists of 50 respondents. The data was collected through in depth interview till the saturation point was reached.

Findings

The socio-demographic profile of the respondents has data related to Age, Educational Qualification, Marital status, Family type and number of children. Out of 50 respondents, 46% respondents belong to the age group of 15-29 years followed by 34% in the age group of 30-45, 18% in 45-59 and lastly 2% belongs to the age of 60 or above. The analysis reveals that the majority of women entrepreneurs fall within the age group of 15-29, indicating the highest representation.

The educational qualification of majority of the respondents (40%) is graduate followed by 16% women who have completed their class 12th and 16% with post-graduation. 14% of the respondents have not completed their education because of stereotype in family, 12% of women entrepreneurs have just completed their class 10th because of early marriage and family restriction,



lastly 2% of women entrepreneurs have completed PhD. Thus, the educational qualifications of women entrepreneurs are indeed diverse in nature.

The marital status of women entrepreneurs are that majority of them are married which is 58% followed by 32% of the respondents who are single, 8% of the respondents are divorced, none of the women entrepreneurs are widowed and the remaining 2% of the respondents did not disclose their marital status. Majority of them belongs to nuclear family which is 52%, 38% of respondents belongs to the extended type of family, 8% of women entrepreneurs are single parent, 2% of respondents belongs to the childless type of family.

Motivation for becoming Entrepreneur

The findings of this study conducted on women entrepreneurs in West Bengal, tries to capture the different motivating factors that encourage them, the obstacles that they face on a daily basis as they pursue their business goals. Out of 50 respondents, majority of women choice to become an entrepreneur was skill and interest area in the Fashion Industry (28%) followed by 26% of women reason was to be economically independent, 22% respondent's choice were to build self-identity, 12% respondent's choice was to be the Boss, 10% women faced restrictions and gender discrimination in job, 2% women entrepreneurs were motivated seeing the success of their family and friends and lastly, 0% respondents were in Family Business.

Period of Business

Out of 50 respondent's majority of women are running businesses within the time frame of (1-5 years) which is 64% followed by (6-10 years) 26%, (10-20 years) 8% and above 20 years is 2%.

Type of Business

Out of 50 respondents, majority of women entrepreneurs did start-up of their business followed by 12% of the respondents have retail business, 6% of the respondents have wholesale business, 4% of them are engaged in family business and lastly 2% are self-employed.

Industry type

Data was collected to establish the characteristics of industry in which women entrepreneurs operate. The women interviewed were in professions such as cosmetics (12%), Beauty parlor (12%), clothes-retail (24%), clothes-boutique (22%), Jewelry-Retail (8%), Jewelry-Handmade (10%), Bag-retail (4%), Bags-Handmade

(4%), others is 4%. The data collected by the researcher shows that the majority of women entrepreneurs are involved in the garment businesses which is retailing of the clothes and opening up boutique stores. Less number of women entrepreneurs was engaged in bags and jewelry businesses.

Challenges Faced By the Women Entrepreneurs

The study has further focused on the main objective of the research for which the study was conducted. Women entrepreneurs have to face major challenges in the path of their entrepreneurship. Out of 50 respondents, 28% of women entrepreneurs face competition as a major barrier, this is because as Fashion Industry is a huge industry and it is mostly dominated by women so it becomes difficult for women who are engaged in small scale enterprise to compete with the large scale enterprise and the other reason is that there is always a fear of the potential entrants.

Networking and marketing of the products has been a major challenge among 22% women entrepreneurs. The likelihood of an entrepreneurial activity becoming successful is influenced by social networks. Numerous issues that women encounter seem to be related to their relative lack of experience to the economic sector. Women's business networks have been acknowledged to be underdeveloped as social assets, yet successful networking has been shown to benefit female entrepreneurs by giving them a competitive edge in the workplace (Linehan and Scullion, 2008). Marketing seeks mobility and self-assurance in interacting with the outside world, both of which social norms have prevented women from acquiring.

Lack of mobility and heavy competition in the market makes the women entrepreneurs dependent on middlemen. Thus, it can be analyzed that because of less knowledge about latest technology and few sources of networks, women entrepreneurs are facing challenges in the market. 18% of women entrepreneurs have lack of access to finance. They may lack a physical security and marketable credit, making it extremely difficult for them to secure the necessary funding. Family members of women business owners typically lack faith in their abilities to successfully operate the company. Women business owners even struggle to find the money to cover the day-to-day costs of running their companies, such as buying supplies and paying employees. The financial situation of women entrepreneurs is particularly fragile. Women are usually discouraged from starting businesses because of the difficulties and

procedures involved in applying for bank loans.

18% of women entrepreneurs face difficulty in work-family responsibility. Business success depends on the support the family members extend to women in the business process and management. The interest of the family members is a determinant factor in the realization of women folk business aspirations. Women's firms can be at commercial disadvantage due to pressures on women to combine family responsibilities with an entrepreneurial career which results in failure to achieve an appropriate balance and creates high levels of stress and held back economic growth of the enterprise. Thus, it can be analyzed that those women having responsibility towards family can denote little time to their business which impacts the progress of business activities. It is assumed that women have comparatively low risk bearing ability because of their protected socialization and secondary gender roles.

Women entrepreneurs face numerous challenges in starting of their business and also during their entrepreneurial journey. Majority of women have built new strategies (40%) to overcome the challenges they faced like understanding the requirements of customers, focusing on the quality of the product not quantity, learned how to balance certain things, developing knowledge regarding new technologies in the market, understanding the latest trend and so on. Women also took loans (20%) to overcome the finance problem in their business, the loans were taken either from bank, family or friends. 10% of the respondents believed in self-motivating themselves, as due to family responsibility and male domination women entrepreneurs were feeling demotivated. 10% of the respondents believed in making new designs and unique products helped to overcome the difficulty they were facing. 10% of the respondents took help from their family and friends and 6% of the respondents took help from women entrepreneurs who are already in the business and can give proper advice regarding the problem. Lastly, 6% of the respondents took suggestions from the experts on the matters related to the problems they are facing. Thus, from the research it can be analyzed that women entrepreneurs can overcome any challenge if they have passion for their dreams.

25 of the women entrepreneurs are not aware of any government scheme and 5 of the women entrepreneurs are aware of different schemes like Annapurna scheme, Mudra Yojana scheme, Udyogini scheme. Thus, from the data collected by the researcher it can be analyzed that awareness regarding the schemes and policies

are required among women entrepreneurs. Out of 50 respondents, 60% of the women entrepreneurs use social media for marketing their products and this was increased during Covid 19 pandemic, 40% of the women entrepreneurs don't use social media for marketing their products because they believe in home-to-home marketing and the second reason is that they don't have much knowledge regarding online marketing. 74% of the respondents are not inspired by any celebrity or business women they are their own inspiration while 26% of the respondents are inspired by celebrities like Anita Dogre, Masaba Gupta, Falguni Nayar and are also inspired by their mothers, grandmothers or relatives who motivated and inspired women entrepreneurs to start their own business.

CONCLUSION

From the data collected during the study through in depth interview the different challenges faced by women entrepreneurs was identified women's entrepreneurship has drawn interest from all generations and social groups. With each decade that goes by, more women are becoming conscious of their existence, their rights, and their work. However, women of the middleclass even today do not wish to alter their role in fear of social non-acceptance. The progress is more visible in women in upper class families. The following barriers exist even today in women entrepreneurs. Firstly, the lack of confidence and an increased sense of dependency on spouse, children or family members compared to men. Secondly, financial dependent on parents before marriage and on spouse post marriage. The society still judges the women by how she is managing her personal and professional commitments. Fashion design being a business done locally, mobility requirements are low as customers generally travel to the boutique or home of the designer to get their work done. This is therefore considered as a convenient business to enter into. The fundamental requirements to operate a firm are knowledge of the sources of raw materials, high negotiation skills, administrative skills, people management talents, and a strong sense of marketing. Negotiation abilities are essential for the designing industry in areas like obtaining raw materials, setting deadlines with tailors, and creating relationships with customers. It is not necessary to conduct substantial marketing through other means because the majority of the promotion is done through word of mouth. In addition to the fact that their creativity and natural sense of design were their strengths, the respondents



acknowledged that these were some of the reasons they thought this was the perfect job for them.

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