

Role of Women's Digital Entrepreneurship Ecosystem in Emerging Economies

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Abstract

This study aims to analyze the digital entrepreneurship ecosystem of women and its role in emerging economies. With the advancement of digital technology, digital entrepreneurship has become a significant driver of economic growth, particularly among women. This research influences the digital entrepreneurship ecosystem, including access to technology, education, funding, networks, and existing regulations. The study adopts a qualitative approach, utilizing in-depth interviews and document analysis to understand the dynamics of women entrepreneurs in the digital sector. The findings reveal that, while digital entrepreneurship offers significant opportunities for women digital entrepreneurs, several challenges persist, such as limited access to resources, insufficient digital literacy, and gender inequality in business environments. By understanding this ecosystem, the research provides policy recommendations to support the development of women's digital entrepreneurship as a strategy for improving economic welfare and promoting social inclusion in Indonesia. In conclusion, the women's digital entrepreneurship ecosystem holds great potential to contribute to local economic development, but targeted policy interventions are necessary.

Keywords: Digital Entrepreneurship, Women Entrepreneurship, Entrepreneurship Ecosystem, Digital Literacy

DOI

: <http://dx.doi.org/10.32503/jmk>.

Article History

: Article received (date); revised (date); accepted (date)

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Introduction

The escalation of Digital Entrepreneurship is disrupting how women play a role in business entities, opening up new spaces to be more productive and overcome socioeconomic barriers. Research shows that digital technology contributes greatly to constructing an entrepreneurial ecosystem for women, but from a gender perspective, it remains largely unexplored (Ughetto et al., 2019). Women entrepreneurs do not benefit much from aspects of the entrepreneurial ecosystem, with factors such as digital technology access, participation, and support that can develop their business capacity (Brush, 2019). Women's entrepreneurship becomes an element of the entrepreneurial ecosystem, with its strong influence (Mouazen & Hernández-Lara, 2023). Women entrepreneurs have greater social capital capabilities in the entrepreneurial ecosystem, particularly in business networking, and are self-sufficient to sustain their livelihoods (Neumeyer et al., 2019).

Constructing a women's digital entrepreneurship ecosystem in practice requires a framework consisting of four pillars: women entrepreneurs, digital entrepreneurship, digital entrepreneurship competencies, and support in empowering women (Dobrilović et al., 2021). The research showed another finding, that motivation for entrepreneurship significantly influences opportunity intentions and intentions for female digital entrepreneurs (Gano-An & Gempes, 2022). Concerning the policy share of women's entrepreneurship, the research explains its findings that policy recommendations are still limited to the skills gap issue, and there are not too many theoretical perspectives oriented towards the important changes in the last 30 years (Foss et al., 2019).

As for the research conducted on the digital platform element, women entrepreneurs adopt digital technology, accompanied by efforts to transform their business models with a more inclusive and socially responsible orientation (Judijanto & Fanggidae, 2024). Ultimately, the women's digital entrepreneurship ecosystem framework is an elaboration of the concepts of digital ecosystem and women's entrepreneurship ecosystem, thereby better understanding how agents and users interact, by synergising individual and social behavioural insights (Sussan & Acs, 2017).

Methodology

This research uses a qualitative method with an approach. The qualitative case study approach is carried out by the need to study a group or population, identifying variables that are difficult to measure or quantify (Creswell & Creswell, 2018). In the context of this study, researchers identified specific cases, and the type of case study we used was an intrinsic case study (Yin, 2015). Then the researcher conducted data collection and explored sources of information through interviews (Creswell & Creswell, 2018). Data were analysed using holistic or integrated analysis (Yin, 2015), by using the NVIVO 14 Plus software, by paying attention to the limitations of text correctness and context correctness. The last phase is the data interpretation stage. Researchers convey the results of data processing accompanied by an explanation of the truth of the context in the research case study.

In the context of this research, the researcher explored through interviews with 5 (five) informants who are women micro-entrepreneurs from various clusters, covering the Fashion cluster, Wedding Organiser cluster, Muslim Hijab cluster, Processed Food from Plantation cluster, and Handicraft cluster. In this semi-structured interview, the researcher asked several questions about the challenges, obstacles, opportunities, hopes, and best practices of using digital technology in their business journey. Researchers also conducted unstructured interviews to explore information about personal experiences and inner feelings while running a digital business, which then these personal feelings and experiences emerged and opened up

in the interview session and became material for semi-structured interview topics, namely gender issues and women's participation in accessing opportunities.

Result and Discussion

Digital entrepreneurship is increasingly becoming a key focus in the global economy. However, women's participation in this space remains limited. This research aims to understand the challenges and opportunities faced by women in entering and succeeding in digital entrepreneurship. The research highlights the importance of efforts to reduce the gender gap in digital entrepreneurship through better access to resources, changing attitudes towards gender stereotypes, and building an enabling environment. Women's digital entrepreneurship faces significant challenges but also provides great opportunities. With the right support from communities, institutions, and inclusive policies, women can play a greater role in driving innovation and economic growth through digital entrepreneurship.

In the context of this research, it can be said that women's digital entrepreneurship is confirmed to contribute to their communities from the results of their digital entrepreneurship. As stated by one of the following informants:

“The main impact is on my own family's economy, which is more stable. In addition, I also help empower mothers in the neighbourhood by giving them jobs, so they can also earn an income despite working from home.”

“My business has an impact on the local community.”

“My business has made a considerable impact on the neighbourhood.”

Women entrepreneurs who have businesses in the Handicraft sector have actually made a positive contribution to the aspect of community empowerment. They gather housewives and empower them to become artisan groups. These women business owners with their ability to learn and continue to improvise in utilising digital technology in their marketing strategies. Thus, with their digital entrepreneurship capacity, they can get and even expand their market and have an impact on the sustainability of their business. This is a differentiator from conventional businesses in general. There is a distinctive feature, namely the concept of community empowerment, which is the value of the business owner's belief.

Another contextual truth of the results of this study is how women's digital entrepreneurship contributes to the creation of sources of income for the surrounding community, besides of course, being a source of income for business owners. Housewives who initially depended on the income from their husbands' work, but the presence of women's digital entrepreneurship in an area was able to move production activities that were able to absorb labour so that they had their source of income apart from their husbands. Researchers can convey the truth of the context from the results of the interview:

“Personally, this venture improves the economic stability of my family. Moreover, by employing people in the neighbourhood, they earn extra income, which in turn improves the economic conditions of the local community. I also often liaise with local artisans, which helps them earn more from their crafts.”

“The main impact is on my own family's economy, which is more stable. In addition, I also help empower the women in the neighbourhood by giving them jobs, so they can also earn an income despite working from home.”

“Economically, this business has helped my family. We can be more financially independent, and the neighbours who work with me also get extra income.”

“Yes, I employ some of my neighbours to help in the production department, especially in making handmade products. This helps them earn income without having to leave home.”

“There was one moment when I got a big order from out of town via Instagram. That's when I realised the huge potential of digital marketing.”

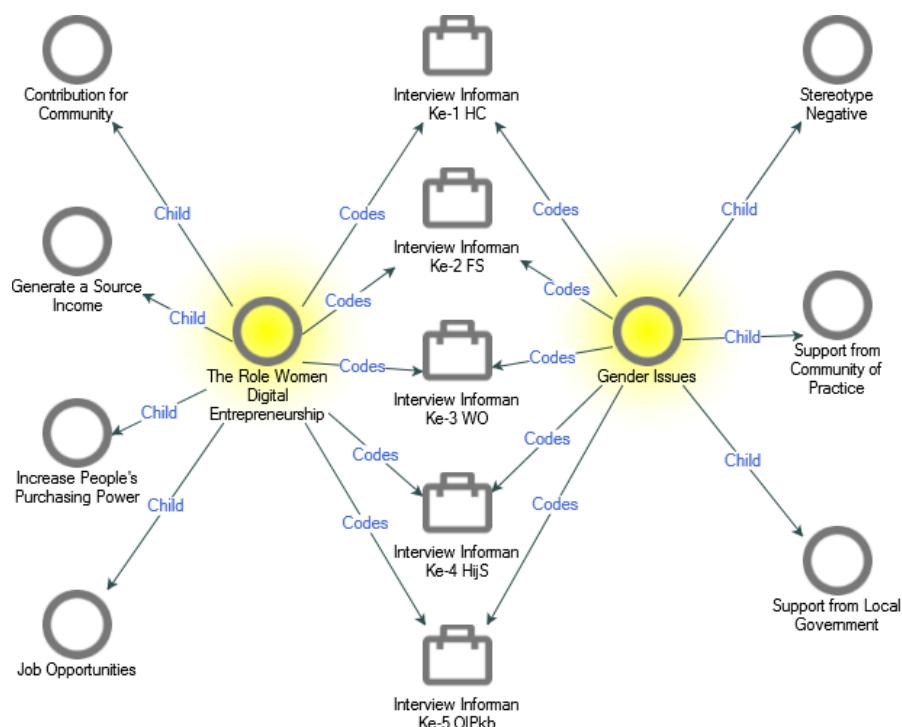


Figure 1. Comparison Diagram: The Role of Women in Digital Entrepreneurship & Gender Issues
 (Source: Researcher Data, 2024)

The role of women's digital entrepreneurship is confirmed to provide a multiplier effect for the lives of the surrounding community. If the scheme is sequenced, before the community gets a source of income, women's digital entrepreneurship has opened new opportunities for the surrounding community. the presence of digital business entities driven by women colours new nuances in the development of civilisation and economic development in the region in particular. The absorption of labour will certainly encourage the number of people who earn income and ultimately be able to boost the level of purchasing power of the community. The truth of the text is confirmed to be the truth of the context that women's digital entrepreneurship has a role and contribution in the regional economic development agenda.

However, it is counterproductive to conflate the role of women's digital entrepreneurship with gender issues. Women have very few rights as part of the entrepreneurial ecosystem, with many gaps such as access to digital technology resources and other support to enable them to be more successful (Brush, 2019). Even women entrepreneurs, in some cases,

face challenges in accessing funding and work-life balance (Turley et al., 2024). Another fact is that female digital entrepreneurs who are sensitive to gender issues are less likely to be represented in leadership positions in business entities and less likely to have the opportunity to build co-operation (Luo & Chan, 2021).

In the context of this research, counterproductive gender-related issues will be reduced with the support of the women's digital entrepreneurship community and programme support from the local government. So that women entrepreneurs can access digital technology in the process of adapting to global challenges in the digital era (Ughetto et al., 2020). The results of this study confirm that negative stereotypes about gender issues do exist. This is shown by the results of the interviews, which were initially unstructured because they were important, so they were switched to being part of semi-structured interviews. The following are the opinions of the informants.

“Sometimes, there is pressure from the social environment that women should not take business too seriously, especially if it's just a small business. However, I try not to be influenced by that view.”

“I still face gender stereotypes, especially from the view that women cannot be successful business leaders. There are times when I feel like I'm not taken seriously in some business meetings because I'm a woman.”

“Yes, I am often faced with the view that women shouldn't take business too seriously, especially in a field like fashion, which is often seen as a hobby. There are also challenges in accessing capital, where I feel like I'm not always taken seriously by financial institutions.”

“There is also a perception that women are not suited to lead a business like this that involves a lot of details and coordination with many parties.”

“I faced doubts from my social circle, who often questioned my ability to do business, given that I was working from home.”

“There is a stereotype that women are less competent in managing businesses, making it difficult to gain the trust of investors or financial institutions.”

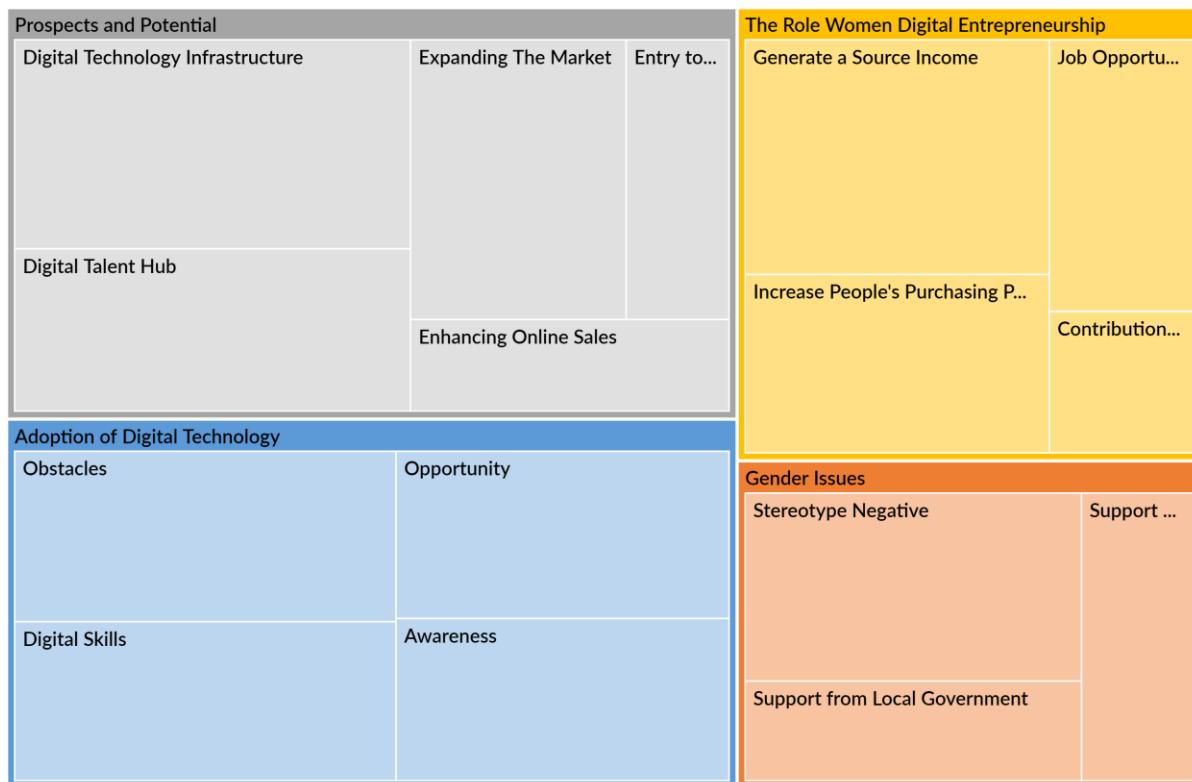


Figure 2. Hierarchy Chart: Coding Results
(Source: Researcher Data, 2024)

Looking at the Hierarchy Chart above, it shows that the building blocks of hope and opportunity in the women's digital entrepreneurship ecosystem are far greater than the barriers and challenges faced. In addition to gender issues that are considered as challenges, Figure 2 shows that there are several other obstacles, namely, women's dual duties as housewives as well as business actors. This has other consequences for the proportional division of time. However, the barriers are reduced when the implications of women's digital entrepreneurship are greater. First, women's digital entrepreneurship is confirmed from the dimension of prospects and potential to be able to create employment opportunities for the surrounding community, which will naturally create a new source of income, which ultimately increases people's purchasing power. This fact can then be the antithesis of gender issues and barriers that are often pinned on the ability and capacity of women in building digital entrepreneurship in their area. The truth of the context confirmed from the results of interviews with informants can be read below.

“I see more and more women starting to use digital platforms for entrepreneurship. This opens up broader economic opportunities for them and reduces dependence on conventional employment.”

“The business helps create employment for some neighbours, especially unemployed mothers, to help with the production process. Indirectly, this boosts the local economy.”

Based on the image on the Hierarchy Chart, it is also confirmed that there is a strong desire among women business actors in expand their business operations to expand to outside markets through digital platform optimisation. During the interview, there was an informant

who proudly stated that as a result of her learning and efforts in utilising digital technology, she received orders from outside the region.

“I started switching to an online platform and saw a significant increase in orders from outside the East Priangan area. This made me realise that digital technology is the key to surviving and thriving in difficult times.”

“I plan to increase promotion on social media platforms and also expand my reach to the national market through collaborations with influencers and vendors outside of Priangan Timur.”

“However, over time, I saw that the business potential was greater by expanding marketing through digital platforms. I learnt that an online-based business model can reach a wider market without having to open a physical store.”

“I plan to increase marketing through larger e-commerce platforms and target national, even international markets. I am also considering creating my website.”

The continuity and sustainability of the existence of women's digital entrepreneurship, especially in supporting the acceleration of economic development in the region, needs to be strengthened through programmes both carried out by the community and the local government. In the context of this research, referring to the results of the interpretation of the coding process, it can be conveyed that women's digital entrepreneurship entities have more hope and potential in an effort to ensure the building of a strong, sturdy, and inclusive ecosystem. The truth of this context is confirmed in the results of interviews with informants, as in the following text.

“I wish there were more free training or mentoring programmes for women who want to start digital-based businesses. In addition, I hope the government provides digital infrastructure assistance in remote areas.”

“I hope the government will be more active in providing digital entrepreneurship training, especially for women, as well as providing easier access to capital and technology.”

“I hope there are programmes that support the improvement of digital literacy and access to capital for women entrepreneurs, especially in areas that are still lagging in the use of technology.”

“I hope the government provides more technical training and support for wider internet access in villages. Also, a more accessible capital assistance programme for women entrepreneurs.”

Support in the form of programmes and facilities is a great hope for the realisation of an inclusive, strong, and robust women's digital entrepreneurship ecosystem to face the dynamics of global change and the current digital era. Programmes to strengthen digital literacy and develop skill sets/digital skills need to be pushed to the policy-making level, in this case, the local government and the central government through budget policies. However, best

practices that have been carried out naturally by the learning community/community of practice must still be preserved so that independence in learning to improve competence can still be passed on to the next generation.

The presence of this community of practice reinforces the fact in the field that in fact, women in the regions naturally have social capital to build their economic independence, including in adopting digital technology. This nature is manifested in the form of awareness that arises from within them. The truth of this result context is seen from the results of interviews with informants, with the following text.

“Yes, the moment came when I started to see that my competitors who were already using social media to market their products were getting more attention and sales. I realised that if I didn't follow this trend, I would be left far behind. From then on, I started learning to use social media and e-commerce platforms to sell my products.”

“Initially, I only made handicrafts as a hobby to fill my spare time after taking care of the household. However, when some friends and neighbours started showing interest in buying my handicrafts, I started thinking about making it a serious business. I saw the potential of the local market and thought this could be a source of additional income.”

“The initial idea came from my personal need to wear a syar'i hijab, but it was difficult to find a product with the design I wanted, especially one that was comfortable and affordable. From there, I saw a market opportunity, especially as more and more Muslim women are switching to the syar'i hijab. I started with small production at home and marketed the products through social media.”

“I see more and more women starting to use digital platforms to market their products. This makes it easier for us to collaborate and learn from each other.”

However, there are many findings in practice that the government has provided all the facilities to support the women's digital entrepreneurship ecosystem to run professionally. For example, the West Java Provincial Government has built infrastructure in the form of Creative Hubs in several cities/districts. Another problem arises, namely that the infrastructure cannot be optimised because the skill set and mindset are not quite ready in terms of women digital entrepreneurs. This fact reinforces the research confirmation that women are not able to access many of their rights, due to aspects of weakness in representation as leaders and barriers to working together, such as in workspaces. The reason for this is allegedly the inherent nature of women's duties at home, especially if they are already tied to a household. However, in this digital era, we can anticipate and strategise on how to harmonise household chores with our life's passion to build a business that empowers the wider community and has an impact on regional economic development.

Conclusion

Strengthening the Women's Digital Entrepreneurship Ecosystem should be a strategic programme of the local and central government. The gaps in practice and theory confirmed in this research are related to resilience efforts. Thus, the framework for strengthening the women's digital entrepreneurship ecosystem in full can be replicated in various other regions. Women's digital entrepreneurship faces significant challenges but also provides great opportunities. With the right support from communities, institutions, and inclusive policies, women can play a greater role in driving innovation and economic growth through digital

entrepreneurship.

In the context of this research, it can be said that women's digital entrepreneurship is confirmed to contribute to regional economic development. This can be seen in the truth of the context of the following aspects:

1. Sustainability of the community of practice in the region
2. Creating employment opportunities for people in the region
3. Creating a source of income for the community in the region
4. Boosting the level of purchasing power of the community

Gender issues, although present and often a challenge, are reduced by the magnitude of the value of the struggle and the good mission of women's digital entrepreneurship. In order to contribute to the community, region, nation, and country, negative stereotypes and obstacles become less significant. Of course, this can be fully realised with the support of the local government and the support of the learning community. Women digital entrepreneurs can still take part, striving to realise their economic independence. In the end, the Women's Digital Entrepreneurship Ecosystem can be used as an Accelerator of Economic Development in the Region.

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