

A study of Women Entrepreneurship in Saudi Arabia

Dr.G.S.Vijaya¹, Dr.Rana Almasri²

¹Associate Professor, College of Business Administration, Al Yamamah University, Riyadh, Kingdom of Saudi Arabia

²Assistant Professor & Vice Dean, College of Business Administration, Al Yamamah University, Riyadh, Kingdom of Saudi Arabia

Abstract— Today women entrepreneurs are increasing in Saudi Arabia. In order to understand about women entrepreneurs in Saudi Arabia, a sample of 200 women entrepreneurs were selected from various business areas. The research instrument adopted here was questionnaire with closed ended questions. The main aim of this study was to understand the reasons to start a business, identify the benefits realized and various advertising channels used by these women entrepreneurs. Based on the responses, it was understood that the reasons to start a business was to be an independent person, to get recognition in the society, to build a successful organization, to have innovativeness and to continue the family traditions. The identified business benefits were in the area of Information Technology adoption, Literacy rates, Availability of internet facilities, Government policies, Purchase behavior and Technology adoption. The preferred advertising channels for business were Facebook, Twitter, Business Websites as well others like google, Instagram and LinkedIn.

Keywords—Advertising, Business, Family, Profit, Women.

I. INTRODUCTION

Women entrepreneurs are contributing in a huge way for the economic growth of Saudi Arabia. Female entrepreneurs in Saudi Arabia have started many small and medium scale businesses. Traditionally, women in Saudi Arabia have focused on domestic responsibilities while males work outside of the home. In an effort to strengthen the family unit and the economy, the government has recently created programs to encourage more women to join the workforce as business owners.

More than 60 percent of all Saudi women have at least a graduate degree .But still most of them are unemployed also more than 63 percent of women have unofficial businesses running that are doing quite well. These kind of businesses rely mainly on word of mouth and personal communication. Also they use computers and mobile phones as their electronic medium (Tamara pupic 2016). Although women constitute about fifty percent of the world population, compared to men, they have less

opportunity to control their lives and make decisions (Revenga and Sudhir, 2012).

II. RESEARCH METHODOLOGY

The type of research undertaken in this paper is both descriptive and exploratory, Questionnaires had been given to collect the data. The questionnaires was handed out to 200 female participants and all the respondents were from Saudi Arabia. The tool used in this study was questionnaire containing various questions pertaining to the subject women Entrepreneurship. Chi-square test is carried out and the data collection took about three months of time. The secondary data were gathered through journals, articles, internet and other published materials. Closed ended questions were asked to the respondents belonging to the age group of 19 years to 48 years.

2.1 Research Objectives:

The following are the research objectives selected for the present study.

1. To understand the reasons to start a business
2. To understand the benefits realized as women Entrepreneurs
3. To understand the advertising channels preferred by Entrepreneurs

2.2 Hypotheses:

Null Hypothesis 1: There is no significant reason behind starting a business

Null Hypothesis 2: Women entrepreneurs have not identified any benefit after becoming an entrepreneur.

Null Hypothesis 3: Advertising channels are not preferred by women entrepreneurs.

III. LITERATURE REVIEW

According to Abeer Yousuf Danish, Helen Lawton Smith(2012) , it was found that female entrepreneurs in Saudi Arabia are now establishing and managing more small and medium sized entities than at any time in the past and this trend is growing.

According to Guillen (2013), women entrepreneurs in the developing world are so important because they can truly make a difference.

According to Syed Zamberi Ahmad (2011), the Saudi female entrepreneurs are generally confident, educated, optimistic about the future and resourceful. However, they face several mainstream challenges such as gender-specific obstacles in the regulatory environment, limited access to and use of formal capital and financing mechanisms, and the need for increased integration of sophisticated marketing and technology tools into business operations and greater availability of key support services.

According to Prashant Mishra (2016), women play out an imperative part in building the backbone of a country's economy. Several of women's abilities like time administration and family budget planning are directly transferable in the business setting. Women can adjust to varying situations, needs and tend to discover fulfillment. They have the potential and the will to build up and oversee ventures of their own. These qualities of women are to be tapped for gainful channels. Women ought to play an equivalent part as a critical precondition for their development as well as the nation's development.

According to Dr. R. Angayarkanni and Dr.Tamilarasi (2016), Women assume a crucial part in reducing poverty through beneficial work that they do outside their home. Women's commitment in business of all kinds is developing and it intends to reduce poverty, to enhance family wellbeing and fulfill women's status in a society. Women Entrepreneurship manages both the state of women and part of enterprise in the general public. In this way, it can be said women are considered as the better 50% of the general public. In the conventional social orders they were limited to their houses doing just household work.

According to statista.com, a leading online portal, the penetration of leading social networks in Saudi Arabia as of 4th quarter 2015 is shown in chart no. 3.1. Today social networking has become very popular in Kingdom of Saudi Arabia and women entrepreneurs are using the same as advertising channels for their business.

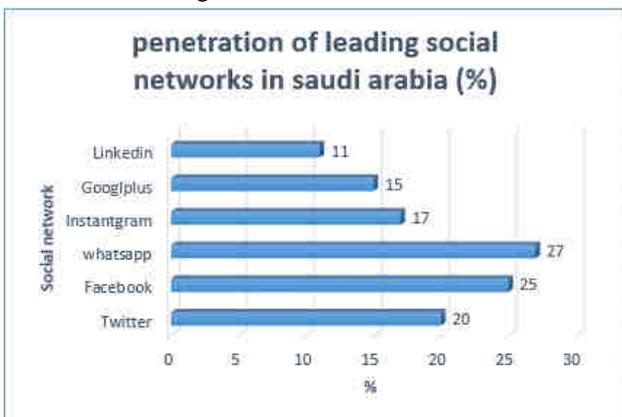


Chart.3.1: Source: www.Statista.com

IV. FINDINGS AND DISCUSSION

- Reasons to start a business was identified such as to be an independent person, to get recognition in the society, to build a successful organization, to have innovativeness and to continue the family traditions by using 1= strongly disagree, 2=disagree, 3=Neutral, 4=Agree and 5=strongly agree (as shown in chart No.4.1)

Chi square test was carried out by using PHStat. The test result was recorded as follows in Table 4.1

Table.4.1: Chi-square test

Data	
Level of Significance	0.05
Number of Rows	5
Number of Columns	5
Degrees of Freedom	16

Results	
Critical Value	26.29623
Chi-Square Test Statistic	332.4425
p-Value	4.7E-61
Reject the null hypothesis	

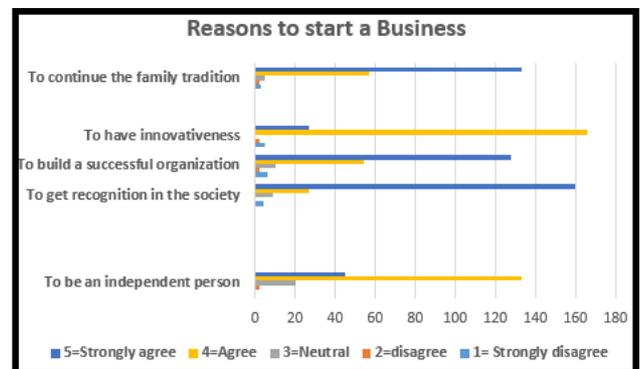


Chart No. 4.1: Reasons to start a Business

It was understood that every women has a specific reason to start the business.

- Benefits identified as shown in Chart No.4.2 were Information Technology adoption, Literacy rates, Availability of internet facilities, Government policies, Purchase behavior and Technology adoption. Based on the identified benefits options, the respondents mentioned their response as either yes or no.

Today, information technology (IT) is universally regarded as an essential tool in enhancing the competitiveness of the economy of a country (Oliveira, T and Martins, 2011). The literacy rate of females in Saudi Arabia is increasing (Dorothy Minkus-McKenna, 2009) which is a positive indicator and helps the women in their business

activities. Availability of internet facilities has made the business transaction faster and easier. Purchase behavior of Saudi Arabians has been a motivating factor. The women entrepreneurs have realized that in a competitive market today, technology is very important for the success of business.

Table.4.2: Chi-square test

Data	
Level of Significance	0.05
Number of Rows	6
Number of Columns	2
Degrees of Freedom	5

Results	
Critical Value	11.0705
Chi-Square Test Statistic	50.92977
p-Value	8.94E-10
Reject the null hypothesis	

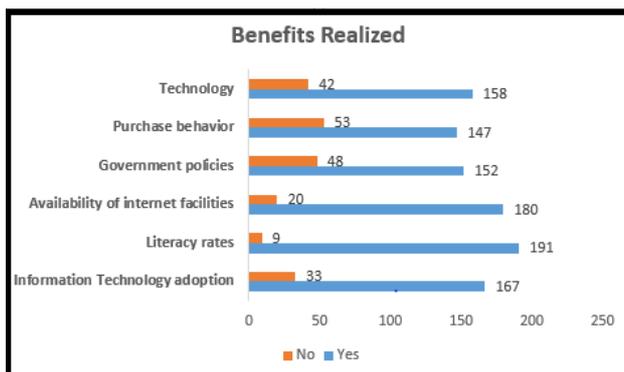


Chart No. 4.2: Benefits Realized

- All the respondents use one or the other means of advertising channels to do their business. 17% of the respondents use twitter as the advertising channel, 23% use facebook, 37% use websites and 23% of the respondents use other channels as shown in chart No.4.3.
 Chart No: 4.3: Advertising channels used by women entrepreneurs.
- 35% of the respondents had high school education, 49% of the respondents have bachelor's degree and 16% had master's degree.
- 27.5% of the respondents were unmarried and remaining 72.5% of the respondents were married.
- 57% of the respondents have come from business background family and 43% of the respondents have started the business for the first time. Respondents who have come from business background have

either their parents, uncle, grandparents or other nearby relatives who are in the field of business

- Our respondents are from various business areas like textile, clothing and foot ware, beauticians, clinics, schools, hotels and restaurants.

The chi-square test result as shown in table 4.1 clearly indicates that all the 200 women respondents have a reason behind starting a business. The chi-square test result as shown in table 4.2 clearly indicates that benefits are realized by all the women entrepreneurs.

V. CONCLUSION

Saudi Arabian women Entrepreneurs are open to new ideas and technology adoption. As a result of which the business can grow very well and satisfy the customer in a better manner. The research findings of this study will help us to understand the situation of women Entrepreneurs in Saudi Arabia. According to Smitha Kavatekar and G.S.Vijaya (2016), today's dynamic and highly energetic generation has to be challenged in right directions for their holistic development. If proper traits and skills can be implemented in the present global competitive market, it is possible for the women entrepreneurs to sustain and satisfy the customers effectively and efficiently.

From the research findings, it can be understood that Saudi Arabian women entrepreneurs have entrepreneurial qualities like being independent, recognition in the society to build a successful organization, innovativeness and to continue the family traditions. In addition to this if training and proper guidance is provided, they can still improve their performance. Benefits are identified in many areas as the research findings indicate that Saudi Arabian culture is encouraging women for this changing trend. These women respondents are also aware of the latest advertising channels through social media. If given chance Saudi women entrepreneurs can still show tremendous improvement and accept the changing women's role.

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