

Self-employed door-to-door saleswomen: The obscure picture of potential entrepreneurs

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Abstract

Optimization of all available human resources is required for sustainable economic development. Passive role of women is attributed to underdevelopment of countries including Pakistan. Entrepreneurship is one of the options for women that can contribute in their economic well-being, empowerment and ultimately benefit society at large. There is an obscure number of self-employed door-to-door saleswomen who identify and avail the opportunity by taking risk to purchase in bulk on credit or cash and peddle though not recognized as entrepreneurs. Personal interviews of 22 door-to-door saleswomen of Jamshoro District were conducted for data collection using purposive sampling. Majority of them buy from Hyderabad and few also approach Karachi, Punjab and abroad. Most of them purchase goods on cash and offer goods on credit or installment. Majority sales cloths and lingerie as they find a significant demand. Most of them are above 50, therefore counseling of their family members is required since old age women need care. Consistent to literature the education and number of dependents are found to be negatively related to self-employment because of uncertainty of income. 'Convincing customers', 'mistrust of people', 'spoiled image', 'delay in payment and deception by customers', 'role conflict', 'harassment at houses', 'loss due to bulk buying', and 'high travel costs' are few of the problems they mentioned. Convenient funding by government and NGOs are required. Inadequate record-keeping is blurring dealings and profit. Education will help them in adequate record-keeping and making rational decisions. Ethical practices are solution to clear their image and boost their morale.

Key words

Entrepreneurs, Door-to-door sales, Self-employed, Women Empowerment

Introduction

Woman earning was considered as taboo and man used to be breadwinner in most of the societies. Gender inequality and woman economic empowerment have been burning issues for several decades. For rapid economic development, the optimization of all available human resources is required. It has been concern of economist to deploy woman in economic activities for achieving sustainable economic growth. Underdeveloped state of Pakistan is attributed to women's less participation in economic activities albeit other factors do matter a lot. According to The World Bank (2014) woman comprises 48.6% of the total population of Pakistan. Their participation rate as percentage of total population was only 22% in 2011, in agriculture and informal sectors 93% of females are employed (Sarwar & Abbasi 2013). 63.4% women employment comprises unpaid family workers (The World Bank 2014).

Role of women in economic activity has reference of Hazrat Khadija R.A, as she was a self-employed business woman. Woman business is not alien to Islam, it's permitted for personal development rather remain starving or relying on public/private welfare, charities, philanthropies, NGO, foreign aids, or

extending hand in front of others, that are against self-esteem and beggary is condemned by Islam. Such nonproductive spending at public/private level only support the beneficiary temporarily and doesn't boost economy. Hence individuals have responsibility to contribute to economy and so do women.

In some towns and villages where markets are not as developed as in urban cities like Karachi or Hyderabad, women found an opportunity to be door-to-door seller as it is little difficult for the women to go shopping frequently or their family values restrict them to shop around. In such environment, business women take risk and buys commodities e.g cloths, purses, lingerie, cosmetics etc. that either they buy in bulk form big markets or have contract with wholesalers and resale the product to women at homes. They don't only facilitate to provide them at home but also have credit transactions or receive money in installment. Entrepreneurs are defined as individuals who recognize opportunities where other see chaos and confusion (Kuratko and Hodgetts, 2007). Hisrich, Peters and Shepherd (2011) defines entrepreneurship as the process of creating something new with value by devoting the necessary time and effort, assuming the accompanying financial, psychic and social risks, and receiving a

resulting rewards of monetary and personal satisfaction and independence. The door-to-door saleswomen recognize and endeavor to exploit opportunity and bear a substantial risk by devoting time, resources (though minimum) and efforts. They do fit the definition but are not recognized as business entities.

Women in such cities do prefer it though scams are also reported regarding door-to-door sales that have caused ban and some regulations later on in US. In the small towns and villages where people know each other such practices are not much objectionable even preferred as a facility by household women. President Obama said in the United Nations General Assembly "When women are full participant in a county's politics or economy societies are more likely to succeed" (Dowd, 2014). The feminist analysis of the Third World in seventies lent support and clarity to the vision (Sen 1981). Boserup's book in 1970 and contemporary feminist's writings resulted in number of activities: conferences, international agreements, set-up of women's machineries and bureaux, statistical data collection, women focusing development planning aids, projects and their implementation (Okali 2011). Over the past few decades, women in general have contributed more to growth in the world's gross domestic product (GDP) than either new technology or the emerging economies of China and India. (The Economist 2006). Women have great capacity and potential to be the contributor in the overall economic development of any nation (Kalim 2012). Socioeconomic factors effect on the participation of women to economic activities (PricewaterhouseCoopers 2006). Boufeldja (2014) found 40.90% women's responded that the perception of men towards working women was significantly negative. Khan (2014) concluded that false philosophy is practiced under the garb of religion in Pakistan, as Islam does not prevent women but describes the principles to follow and proper awareness about Islam can make women realize their status and position in society. A difficult obstacle to overcome for women is the socio-cultural environment (Boufeldja 2014). Joint family system and large family size cause women to work but education, location and number of dependents significantly reduce the women's work participation as self-employed worker, whereas age and experience positively affects women's self-employment (Faridi, Chaudhry, & Malik 2011). While conducting research on Hyderabad glass bangle industry Wassan et al. (2010) states about the many

opportunities for growth the women processors have, as they have urban residence so facilities like education, health care can be availed, along with access to market, contractors, subcontractor, and information about foreign market. The high cost of commencing a business was perceived by the women as barriers (Neila 2014). Minimal government regulation and taxes; institutions that provide loans, technical assistance and information to new businesses will also be so strengthening (Day-Hookoomsing & Essoo 2003). In India the Self Help Group movement is working for developing women entrepreneurship and poverty eradication in rural and urban areas (Levaku 2014), such moves are also required in Pakistan. Women is the key for transformation of economies into prosperous enterprises as they no longer passive households rather intellectual and active part of population (Kalim, 2012). Shah (2013) emphasized on the role of NGOs and awareness about finance schemes for women entrepreneurship development programmes.

Methodology

The research is based on semi-structured interviews conducted from 22 door-to-door saleswomen doing their business in Jamshoro District (As done by Boufeldja in 2014). They were selected through purposive sampling, out of them 17 were residents of urban area while five were living in villages. The interviews were conducted about the business and demographical information as found in literature of women entrepreneurship authored by Boufeldja (2014) and Faridi, Chaudhry, & Malik (2011), while their problems were also enquired.

Results

Sixteen of them buy only from different markets of Hyderabad, only two said that they also go to Karachi and sometimes order different markets of Punjab for providing goods to their customers. Four of them claim to sale imported products that they procure from India, Iran, Saudi Arab and UAE, along with the local products. Sixteen of them buy on cash from wholesaler/retailers whereas six of them have credit relation with shopkeeper. Most of them offer goods on credit and installment only three of them did not offer credit or installments. Most of them replied that their profit margin is 10 to 15 percent only, while selling on installment or credit their margin rise to 25 to 35 percent because their collection period is four to five months. Most of the sellers belong to city and majority of them sale in urban areas only one of them go to only village and some of them do go to both urban as well as rural areas. Residence of villages sale

their goods mostly in villages only one of them sale in urban areas.

Table. Types of goods they sale

S.No.	Goods	Total
1.	Cloths	21
2.	Purses	5
3.	Burqa	4
4.	Lingerie	10
5.	Cosmetics	4
6.	Jewelry	6
7.	Quilts Or Sheets	5

S.No.	Market	Residence		Total
		City	Village	
1.	Urban	12	1	13
2.	Rural	1	4	5
3.	Both	4	0	4
Total		17	5	22

S.No.	Academic Qualification	# of women
1.	Uneducated	9
2.	Primary	3
3.	Metric	7
4.	Intermediate	2
5.	Graduation	1
6.	Post-graduation	0
Total		22

Age	Year in business				Total
	1-5	5-10	10-15	15 & Above	
20-30	1	0	0	0	1
30-40	3	0	0	0	3
40-50	0	2	2	1	5
50-60	1	1	5	3	10
Above 60	0	1	2	0	3
Total	5	4	9	4	22

S.No.	Number of dependents	Marital status			Total
		Married	Unmarried	Widowed/divorced	
2.	No one	0	4	2	6
3.	Less then 3	2	1	3	6
4.	3-6	5	1	3	9
5.	More than 6	1	0	0	1
Total		8	6	8	22

Almost all of them sell cloths, whereas lingerie is sold by a big number while other goods are not sold by a significant number. These women mostly belong to age bracket of 50-60, only one is from twenties, while three are also from above 60. Most of them have experience of 10-15 years and the same age group of fifties have high experience.

Most of the women are uneducated and second largest number is metric, while there was only one graduated and no postgraduate. Most of them face difficulty while convincing customers to buy at home. People do have dubious mind regarding such door-to-door sellers it ranges from sale of substandard product to suspect of crime. Such sellers also have a spoiled image. Customers also delay in paying the debt as most of them have credit and installment transactions. They are also confronted by role conflict as most of them are wives and mothers or having other responsible roles at home and the job needs sufficient time. A significant number have faced harassment at houses where they go for sale. Few of them faced loss due to bulk buying. Few of them told that the goods if not sold are exchanged from their suppliers. Few of them were also deceived by customer and few of them respond that their travel cost is much high which decreases their profit.

Conclusion and Recommendations

- More than half of them are buying on cash that implies that because of no legal entity they are not trusted by suppliers and they don't use financial leverage. While majority of them buy from Hyderabad, it shows their inaccessibility to other bigger markets.
- Eighty five percent of them are offering goods on credit or installment that is denoting their illiquidity while majority is paying cash for buying the merchandise. Convenient funding by government and NGOs would help in improving their liquidity and leverage.
- Most of them were not very clear about their profit margin, and stated that it is subject to bargaining. Training programs about book-keeping can help them comprehend their business and make rational decisions
- Women in general are very fond of clothing as a big majority of saleswomen are engaged in selling cloths. Lingerie sale is denoting women's hesitation to buy from shops and supposed to be a facility for women customers and opportunity for sellers. Such commodities should be promoted by door-to-door sale to maximize profit.

- Miserably age has positive relation with self-employment as mostly women are above 50 that is nearer to retirement age even three are above 60. It shows their being either heirless or devoid of any help from family members. Old age women need care and rest, their family members should be counseled to take their responsibility.
- Education has a negative relation with being self-employed as found in literature too. A big number is uneducated and significant number is just metric, none of them is post graduate. Education may decrease their number but it will help them to make wise and prudent decisions and adequate record keeping. Educated women should also be encouraged to be self-employed by establishing
- Physical business concerns.
- Mostly married and widowed or divorced women with a significant number of dependents are engaged in this field. But there is only one women who have dependents more than 6. That denotes the increase in number of dependent restrict them to be self-employed as it has much uncertainty of income. Women with more dependents are prone to be paid employees. Convenient loaning can help women with dependents to have their own business concerns with financial sustainability.
- Door-to-door saleswomen face various problems that ranges from 'mistrust of people' to their 'being harassed in the houses where they go for sale'. Ethical practices by them and society at large would be a solution to clear their image and boost their morale respectively.

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