Gender Equality in India

Women and Digital Solutions

Women in India are very often concentrated in certain specific types of industries- about 30% of women-owned enterprises are involved in the manufacturing sector and 18% are involved in retail trade. Looking at the services sector, 24% of women owned enterprises are personal/household service enterprises, 16% are in the education sector and 14% are food service enterprises like restaurants[1]. As discussed in our previous post, there are a variety of barriers faced by these women, and there are multiple approaches that have been used to promote and address these, ranging from programmes driving financial inclusion to the provision of skilling initiatives.

Of the plethora of approaches, the advent of digital technology is one that has brought a range of solution models to the table for creating new, scalable pathways to potentially solve for some of these issues, and generate economic opportunity for women. Internationally, models such as Taobao (Alibaba)[2] and Grab[3] have shown results in linking women to improved livelihood opportunities and markets, while in India, nascent platforms such as Amazon Saheli[4] and GoCoop [5]are looking to do the same and show high potential for market linkages. This piece will look to nuance the understanding of the true potential of digital solutions for women, and how they could be advanced further in India.

Context

Understanding the overlap between sectors where women are prevalent, as well as the kind of sectors with a significant digital market in India helps us identify the industries which have potential for synergy, especially when it comes to integration with e-commerce value chains. Some of the highest potential sectors in the B2C market for this integration include retail sale of food and beverages (in 2017, online sales of groceries were estimated to have a market value of under 1 billion USD in India, and 13% of India's unpaid 'other' female workers work in the industry[6]), sale of apparel and home furnishings (a total estimated market value of 7 billion USD in 2017, where currently 16% of all women enterprises are involved in manufacturing of textiles, apparel and furnishing), and hairdressing and beauty services (31% of informal hired workers work in the personal services industry, with 46% of those being involved in hairdressing and beauty services[7]).

While these are **sectors with high potential**, a fractured policy environment and disconnected digital landscape prevents them from being tapped into as effectively as possible. As a result, there are still

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[1] Analysis of 6th EC and 73rd NSS

[2] Taobao is a Chinese online shopping website, owned by Alibaba.

[3] Grab is a transportation, food delivery and online payment provider founded in Malaysia.

[4] The Saheli store is a dedicated storefront on Amazon India to display women entrepreneurs' products and facilitate sales.

[5] GoCoop.com is an online marketplace that enables handloom and handicraft co-operatives and artisans in connecting directly with buyers (both consumers and other businesses)

[6] NSS 73rd Analysis

[7] Ibid

barriers that prevent women from engaging with digital approaches, both at the ecosystem and at the individual level.

5 KEY INDICATORS OF READINESS

Willingness to participate in e-commerce: Factors such as ambition and skills inhibit a woman's readiness as an entrepreneur who can venture into the e-commerce space

Functional and technical skills: When it comes to e-commerce, basic business concepts and vocational training are integral to the holistic development of entrepreneurs

Market Intelligence and business acumen: For any business to run successfully, it is important to have a deep understanding of the market and demonstrate the necessary business skills to achieve scale

Usage of mobiles & technology: Women's access to mobile phones can catalyse women's economic advancement by promoting entrepreneurial activity and improving business practices

Access to working capital: There is a requirement for higher levels of stock and quality, along with the ability to fulfil more complicated logistical needs

Figure 1: Individual Readiness

At the individual level, research shows the current **readiness** of women, especially in non-urban and underserved geographies is far from ideal. Empirical studies show that women workers and entrepreneurs need to be **willing to participate in digital solutions**, but many have low ambition, and a lack of commitment and desire to work (often due to a lack of family support).[8] Women also often report **inadequate functional and technical skills** required for engaging with digital platforms, with much of women employment in India still being concentrated in unskilled jobs.[9] Especially for engaging with e-commerce platforms, business skills are required, but many women-entrepreneurs struggle with functions such as bookkeeping and accounting, and lack basic numeracy skills.[10] Aside from this gap in desire and skill, there are fundamental **gaps in access and usage of mobile phones and the internet** by women, with NSS data also finding that only 14.9% of women are able to use the internet as compared to 25% of men, and only 12.5% actually used the internet in the last 30 days.[11] Further, currently only 59% of women in India own a mobile phone, compared to 80% of men[12] and only 42% of Indian women are even aware of mobile internet (compared to 59% of men).[13]

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[8] Women Entrepreneurship in India

[9] Ibid

[10] Insights from Roundtable Discussion : Economically Empowering women through collectives

[11] NSS report (2017-18)

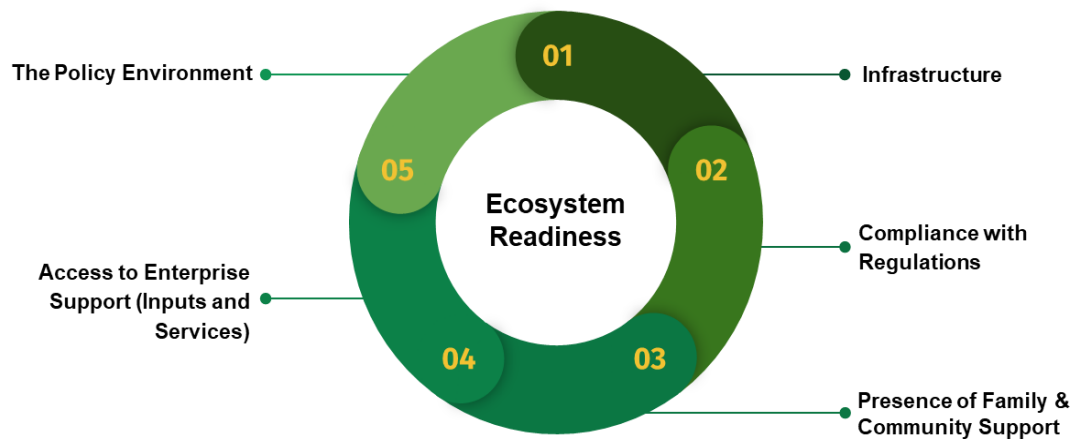[12] GSMA: The Mobile Gender Gap Report 2019

[13] Ibid

Figure 2: Ecosystem Readiness

On the other hand, at the ecosystem level to ensure **readiness**, the first challenge that needs to be addressed is the **basic infrastructure** required for the availability of digital solutions; the availability of telecommunication systems, internet compatibility, delivery agents, and last-mile connectivity. At the end of 2018, internet penetration in India was only 18% in the semi-urban and rural areas[14], and while it is expected to grow rapidly, this will remain a barrier for some time. Some digital solutions and enablers operate without internet access— organisations like Haqdarshak have designed their mobile solutions to work offline and remain accessible despite connectivity issues— but such offline models can't translate to all business models. Digital platform and marketplace approaches also often have **high entry barriers** which prevent some self-employed and entrepreneurial women from being able to engage effectively, such as requiring basic registration, GST numbers (that many informal enterprises do not have) and meeting expensive compliance requirements.

Outside of infrastructure and the entry barriers, It is very important to ensure that **technological access** for women is viewed from an ecosystem lens as well, as a big part of women being able to own and use technology is the **sensitisation of communities** to ensure that women are able to own and maintain control over their phones/other avenues to access digital platforms. Evidence from India has often highlighted that women's mobile phone usage in rural India challenges traditional gender norms, and as a result, many men do not let the female members in their households own mobile phones.[15]

The Landscape of Digital Solutions and Recommendations

Keeping in mind the gaps that have been identified, it is important to note that stakeholders from across the spectrum have looked and are currently attempting to leverage digital solutions to empower women, including running interventions that are targeted at bridging these gaps. There are a range of digital technology solutions available today, which have been broadly categorised into three segments by a United Nations High Level Panel on Women's Economic Empowerment— **digital mediums, digital resources and digital enablers.** Each of these address challenges faced by women entrepreneurs in

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[14] Rural E-commerce - The Untapped Potential
[15] Omidyar Network: Currency of Trust

different ways. **Digital mediums**, such as GoCoop, are platforms that can create linkages to larger markets, create markets for niche products and provide flexibility in time and mobility (allowing service providers to choose times and areas of operation); **digital resources** provide technical training and act as platforms for payment, communication & marketing to enable information sharing and use of social media for brand building helping achieve visibility and discoverability (examples include Whatsapp and PayTm that have reached scale); and **digital enablers** (such as management app, mAye) that provide operational support, such as MIS dashboards for digital data collection, storage and analysis which could generate insights to enable better production choices. Apart from a select few apps, like Whatsapp, most have not managed to achieve scale when it comes to engaging with women and driving economic empowerment. [16] In order to understand the reasons for this gap, one must take a deeper look at the sectors and areas where economically active women are currently engaged and digital saturation is high.

However, the intervention landscape is fractured and reflects the different priorities of stakeholders looking to empower women, with private sector stakeholders focusing using digital tools to deliver services and on-boarding women onto e-commerce value chains, CSOs focussing on digital literacy and community sensitisation, and government players focussing on digital tools as a solution for building buyer linkages and driving convergence. In order to consolidate this variety of work and ensure that barriers are addressed holistically instead of in silos, there is a need for a **multi-stakeholder approach** with a focus on creating a spectrum of gender-inclusive solutions for building readiness for women and improving the design and availability of digital models and tools for women.

CSOs and the private sector (especially digital platform providers) can play a crucial role in building this spectrum, with evidence suggesting that driving awareness among women entrepreneurs, their families, and communities can lead to greater participation of women in digital value chains, something that could be driven by civil society. CSOs and private players could also come together to provide capacity building by leveraging their individual expertise, as it has been observed that training comprised of diverse elements including digital literacy, functional literacy and business acumen is important in addressing the inability of women entrepreneurs to compete on digital platforms. Similarly, they can also play a role in helping these enterprises increase ability to engage productively with an e-commerce value chain, especially through greater involvement in hand-holding support to women-owned enterprises in areas such as business skills and inventory management.[17]

Digital platform providers themselves can focus on designing platforms to be gender sensitive and human-centred in order to reduce entry barriers and establish user friendly interfaces for women workers and entrepreneurs. Platform providers can also offer marketing support (either by service provision or training) in branding, information on compliance requirements and viability of logistics which can enable a seamless process for production and last-mile delivery. They can also help with access to timely credit and working capital either by facilitating loans from financial institutions or providing advance payments on   upcoming   orders   for   sellers   has   been   beneficial   for   businesses.[18]

Keeping in mind this need for stakeholder collaboration, the role of the Government in building the

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[16] Insights from Roundtable Discussion : Economically Empowering women through collectives
[17] Digital Solutions for Women-Owned Enterprises- A Sattva Report
[18] Digital Solutions for Women-Owned Enterprises- A Sattva Report

enabling environment becomes instrumental. This will need a concentrated effort addressing three key objectives; **creating a favorable policy landscape** for the growth of digital solutions with a gender lens, **improving infrastructure across India** (especially in rural areas and Tier 2 and Tier 3 cities), and **utilising existing government institutions and mechanisms as a means to engage women** and women-owned enterprises at scale to build capacity and connect them to digital solution models and value chains. The Government as a whole can put forward a more targeted approach towards promoting and driving digital solutions for women and women-owned enterprises.

Three key recommendations for building an enabling policy environment were identified over the course of Sattva's research;

1. Relaxing regulatory constraints on digital platforms, or offering tax concessions for private players integrating women and women-owned enterprises in order to create a more favourable environment for the growth of digital solutions in India

2. Working closely with and incentivising telecommunications service providers to improve infrastructure in rural areas, and in Tier 2 and Tier 3 cities; or look at public-private partnerships in these areas (which can be promoted by means of competitive pricing strategies in public tenders)[19] which can fill gaps here

3. Creating institutional components, such as common service centres (CSCs) for logistics and business support, and embedding trainers into NRLM so to reach women at scale, which could help women and enterprises build capacity to engage more effectively with value-chains

There is a lot of scope for digital solutions to succeed in India for women and women-owned enterprises, but there are many steps that need to be taken to bring about the kind of success possible. Major barriers highlighted in this brief remain prevalent, and require targeted digital engagement efforts to mitigate. The recommendations identified could serve to increase both the engagement as well as the efficacy of digital engagement with women in India, and truly unlock their potential.

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