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Other Persons: Verdugo, Nicole; Alemany, Milena; Errázuriz, Pedro Pablo

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Kontakt/Contact

ZBW – Leibniz-Informationszentrum Wirtschaft/Leibniz Information Centre for Economics
Düsternbrooker Weg 120
24105 Kiel (Germany)
E-Mail: [rights\[at\]zbw.eu](mailto:rights[at]zbw.eu)
<https://www.zbw.eu/econis-archiv/>

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**Asia-Pacific
Economic Cooperation**

Women's SMEs: Conquering International Markets

APEC Policy Partnership on Women and the Economy

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APEC Project: PPWE 01 2015A

Produced by
Nicole Verdugo
Milena Alemany
Pedro Pablo Errázuriz
Gender Department
<http://www.direcon.gob.cl>

For
Asia-Pacific Economic Cooperation Secretariat
35 Heng Mui Keng Terrace
Singapore 119616
Tel: (65) 68919 600
Fax: (65) 68919 690
Email: info@apec.org
Website: www.apec.org

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“SUCCESSFUL CASES OF WOMEN-OWNED SMEs IN FOREIGN TRADE”

This survey analysis is part of a major project called “Successful Cases of Women-Owned SMEs in Foreign Trade.” This proposal seeks to give a general perspective about women-owned SMEs that are successfully participating in international trade and the barriers that women face every day in the process of exporting their goods and services. The survey consists of eight questions about the different tools used in the promotion and internationalization of their products, the support supplied by public agencies, and how they manage to solve several problems and obstacles they face in their intent to succeed.

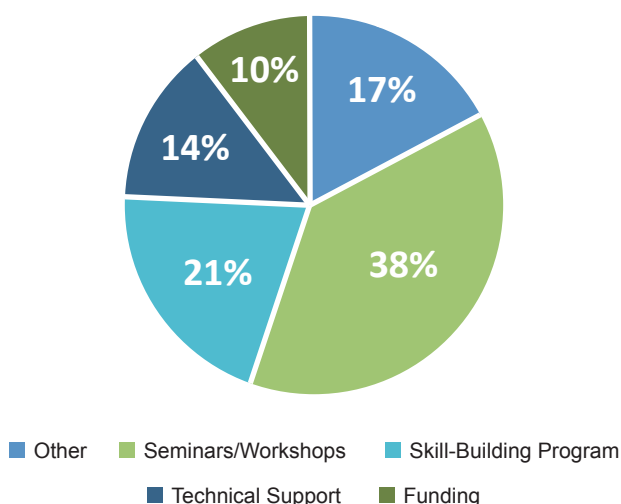
An important factor to consider is the number of women that decided to share their experiences and knowledge. In this context, a total of 13 APEC economies participated by answering the survey. The objective of this first analysis is the first step in greater research and analysis regarding cases of women-owned SMEs, in the APEC region, who have been successful in international trade, as well as sharing experiences and good practices that contribute to improving policies and attitudes towards and among businesswomen. Given of these efforts, we would like to take this opportunity to thank all the participants and people who made this brief study possible.

1. *Production Development Tools*

The production development tools relate to the economic and social policy of each economy under study. For example, in the case of Chinese Taipei, we learned of a network of businesswomen which expedite the efforts of women entrepreneurs in that economy to enter global markets, organizing workshops on internet marketing. In the case of Perú, we can mention the “Women’s Micro-Enterprise Support Project”, implemented by the World Bank and UN Women. Its objective is to increase the business capacity and economic status of female micro-entrepreneurs in urban Lima, together with enabling the development of abilities and the production of knowledge that are needed to improve their participation in trade.

From the 13 cases analyzed, eleven expressed that the primary tool for their production development were seminars and workshops, while six marked their preference for skills-building programs. The latter is relevant given that this information helps public institutions to design programs and policies with a gender perspective to help women in their process, according to their needs and successful experiences. It is important to note that the alternative “others” was also favored, mostly to refer to the importance of public support, i.e. as in trade missions and exhibitions.

Chart 1.- Production development tools used by the successful case of women-owned SMEs



2. The role of the public sector

To the question “Do you consider public, or state contribution is important for business development?” all respondents believe that it is. However, the governments’ capability and agencies vary from case to case. Most economies have an organization that supports their internationalization, under names such as “ProChile,” “PromPeru,” “Taiwan External Trade Development Council,” “Thailand Department of International Trade Promotion” and “Viet Nam Chamber of Commerce and Industry.”

Over the question “In your process of internationalization, what was the tool and/or institution that provided you with the most support aid,” eight of the 13 women answered that public services –institutions such as ProChile and PromPerú, and others- were their most significant support. The above reaffirms the importance promoting in government agencies the need of having tools and programs with a gender perspective for the promotion of exports.

Nevertheless, 12 out of the 13 interviewed considered that the public support for women entrepreneurs is not enough. Their administrative processes are in many times too complex, and present limitations such as the excess of paperwork required; the lack of a wider coverage; the limitation of the resources; and the lack of the promotion of entrepreneurship in women.

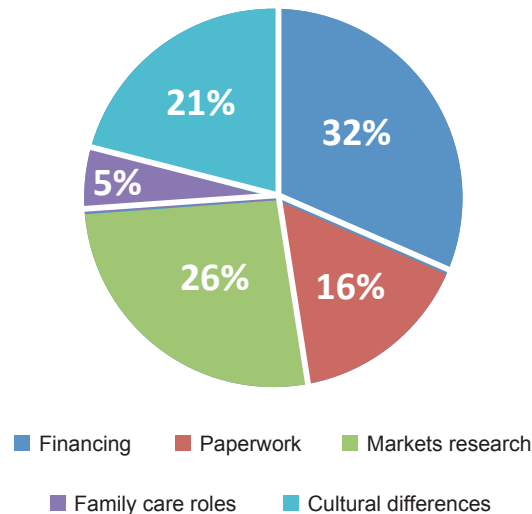
However, the public contribution is valued. In the survey three dimensions of public support are recognized: skills-building programs, financial assistance, and the governmental policy. The surveyed identify skills-building programs because of their support for the construction of entrepreneur networks between different economies and the development of abilities and knowledge. In this dimension, trade exhibitions, missions and courses, capacity building and consulting support from the state agencies are among the identified tools. As for the financial support aspect, 62% of interviewees consider that the government should give this type of assistance; as for how to develop this support, we can find different forms of funding for the entrepreneurs, especially the access to loans and capital and the investment in business development. Nevertheless, in this area, respondents not only pointed out the role of the government but the private sector’s as well. These two sectors must work together to generate a synergy between both to avoid the SMEs bankruptcy because of debts, which relates to the last dimension, governmental policy. Participants demand an stable economy policy from the government and coherence between the different economies strategies. Also, they highlighted the importance of a special tax rate and the access to reasonable interest rates for SMEs.

Another important element we found in the results is that the different surveyed request different kinds of support that we can classify as social, economic and political assistance. In the social aspect, both the formalization of businesswomen and the opening of more channels of participation and representation of women in the high ranks of enterprises and government organizations are a priority. Another suggestion was the need of more day care centers for women who have kids, together with education on gender equality and policies about anti-sexual harassment issues. Finally, the economic and political aspect refers to financial support and more access to capacitation and fellowships abroad. For instance, a particular tax policy for entrepreneurs and entrepreneur education for those who start an enterprise are ideas mentioned to implement. Also, the need for free legal support in the first stages of the development of the business, and technical and technological advice throughout the whole development process. However, not only a major range of programs for all the people are mentioned, but specifically the needs of quotas reserved for women's participation in all skill-building programs, funding, and legal and technological advice. Moreover, in the process of internationalization, the successful businesswomen highlight the importance of missions and workshops, advice from business networks, trade exhibitions, funding, and technology. Additionally, they express concern for more opportunities for people in general and women in particular, to participate in this instances of personal growth and product development.

3. Main obstacles and barriers to internationalize Women-Owned SMEs

From the data obtained, we can infer that the main barriers and obstacles for the internationalization of women-owned SMEs are access to finance, to market research and cultural differences.

Chart 2 Barriers to internationalizing Women-Owned SMEs



The financial barrier relates to the perception of the role of women in the economy, the social status of women, and the difficulties they have in accessing capital.

Highlighting the variable of cultural differences is relevant. For instance, language barriers affect SMEs that seek internationalization. Also, businesswomen usually face problems when trying to communicate within a male-dominated environment. However, this barrier is one of many, and culture is related to fundamental values, life orientation, beliefs, policies, procedures and behavioral conventions that a given group of people share (Spencer, 2008). This culture aspect has resonance on how people develop their businesses and how they introduce themselves and their products to global audiences. Success in the internationalization process not only requires proficient communication techniques but also understanding the context of the society where the companies pretend to sell their products, which is also related to the research and knowledge of the right market for the introduction of the goods and services. APEC economies are diverse, with a wide variation of cultures among its members. As a result, the uniqueness in the cultural context also means uniqueness in the way that societies portray women.

Finally, women-owned SMEs face barriers related to paperwork, such as taxes and legal procedures.

4. Main difficulties faced by women entrepreneurs, strategies to overcome and the road to business success.

The biggest problems that the women that were interviewed is the recognition that **women need to prove their capacities, their value and the worth of their enterprise consistently**. Likewise, women have to balance their time between their duties at work and their families; while also sparing time for themselves. Women feel that under constant questioning about their goals as if they were irrational or less valuable because of the existence of cultural barriers and gender stereotypes. The latter is due to the fact that the interviewees consider that the most important aspects that helped them to overcome these obstacles and becoming a successful woman entrepreneur are more related to personal characteristics of their personalities. Thus, they overcame the obstacles because of how they faced the abovementioned limitations, being the core skills that helped them to achieve this: their persistence, their will to take risks and their good management of time. Also contributing to safe working environment and seeking support in public institutions were mentioned.

Though the latter allows us to conclude that personal skills and attitudes are essential to overcome barriers, nevertheless, we also believe that it is necessary the assistance of public services and gender policies implemented by government officials. The women from Chile, Mexico, Peru and New Zealand consider capacity building and funding need prioritization, while the surveyed from Asian economies highlighted the importance of day care centers, anti-sexual harassment laws, and gender equality education. In the case of Chinese Taipei, the women interviewed identified the lack of education about gender equality, remarking that that is a problem that needs a solution in shortly.

Finally, APEC economies businesswomen say the key elements to business success are that : you must believe in yourself and in the product or service that you are offering (Peru); to be responsible and committed (Mexico); to love yourself and what you do (Chile); to involve your whole person to it (New Zealand); to build and maintain trust (Indonesia); to think always positive (The Philippines); to have the support of your family and friends (Chinese Taipei); to have decision-making capacity (China); and to be hard working and passionate about what are you doing (Viet Nam). In conclusion, to achieve success it is important to have access to knowledge and capital, however at the end the power of will and maintain strong to confront all the challenges prevails.