Lived experience of women entrepreneurial exporters in a developing country context

Authors: Marianne Matthee, Kerrin Myres, Caren Scheepers and Anastacia Mamabolo
Gordon Institute of Business Science – University of Pretoria, Illovo, South Africa
Abstract

Entrepreneurs operate within a broad ecosystem, which enables them to access different types of support when needed – from financial and logistical to emotional. The ability to tap into available resources in an entrepreneurial ecosystem is particularly important for those embarking on an internationalization strategy, such as exporting, given its many complexities. However, many women entrepreneurs, both aspiring and active exporters, feel discriminated against by government and private-sector actors in the ecosystem, which constrains their internationalization efforts.

This chapter reports on a qualitative study conducted among a group of women entrepreneurs based in South Africa who were asked to share their export-related experiences in personal interviews. Among the findings were that the women entrepreneurial exporters (or aspiring exporters) were proactive and committed to achieving export success. Yet they admitted to facing gender-based obstacles in their dealings with officialdom and various service providers. Interestingly, a “shadow” entrepreneurial export ecosystem has begun to emerge, which resonates with women entrepreneurs who see value in building multiple, interlinking networks of peers and service providers, rather than relying on “official” government channels only. Policymakers should do more to address the specific needs of women entrepreneurial exporters, thereby creating a more diverse exporter community, while also helping to dismantle gender-based stereotypes in society.

Introduction

Entrepreneurs, when starting out and growing their businesses, do so in a particular context, which is essentially an entrepreneurial ecosystem. An entrepreneurial ecosystem can be defined as “a set of interdependent actors and factors coordinated in such a way that they enable productive entrepreneurship” (Stam, 2015). This implies that entrepreneurs do not operate in isolation but are part of a social network of stakeholders with reciprocal ties (Neumeyer et al., 2019). This social capital perspective is particularly relevant when studying women entrepreneurs, as they are seen as socially embedded agents who utilize resources, including financial resources, social support and knowledge to grow their businesses (Burt, 1992).

However, the concept of an entrepreneurial ecosystem has been criticized for making the gender-blind assumption that all entrepreneurs have equal access to resources, participation opportunities and support (Brush et al., 2019; Grandy and Culham, 2022; McAdam et al., 2019). In fact, Brush et al. (2019) provide evidence that women entrepreneurs’ access to
resources and participation opportunities differ from those of men. They conclude that “when it comes to many aspects of the entrepreneurship ecosystem, women are at a disadvantage” (Brush et al., 2019). This then raises the question: how should women entrepreneurs navigate the entrepreneurial ecosystem, given its many obstacles?

Apart from entrepreneurial ecosystems themselves overlooking the gender perspective, the literature on entrepreneurial ecosystems has only recently started to adopt an international perspective. For example, Velt et al. (2018) studied the entrepreneurial ecosystems of “born globals” in Estonia, while Theodoraki and Catanzaro (2022) developed an internationalization ecosystem framework based on their study of French internationalization support initiatives. We argue that adopting an international perspective for entrepreneurial ecosystems is especially important when expanding beyond national borders, as exporters will encounter complex export regulations and procedures, different cultures and foreign networks (Aparicio et al., 2021). The challenges associated with these interactions are felt more acutely by exporting entrepreneurs who, with their typically limited resources and capacity, are at a disadvantage relative to large firms (Paul et al., 2017). In this regard, Rosenbaum (2019) states that exporting for entrepreneurs requires “greater financial outlays, external network resources to gain export-related knowledge and mitigate risk, and managerial experience”. However, once entrepreneurs are able to export successfully, their efforts will pay off (Hessels and Van Stel, 2011).

The authors are interested in how exporters navigate what we call the “entrepreneurial export ecosystem” to acquire export-related knowledge and skills and take advantage of business opportunities. More specifically, the authors are interested in how women entrepreneurial exporters are able to balance the demands of being entrepreneurs with those of being women.

In a recent policy review, the World Bank and WTO (2020) confirm that women face more obstacles in their internationalization efforts than men, which has resulted in lower participation rates among women entrepreneurs in cross-border trading (World Bank, 2021). Rosenbaum (2019) argues that the gender-related challenges that women face at the domestic level are simply compounded when they engage in exporting. For example, not only must women balance family responsibilities with running businesses, but exporting has added procedural, regulatory and financial complexities. In addition, women entrepreneurs often face the problem of not being taken seriously and being the target of sexist attitudes (Orser et al., 2004). Moreover, they are less likely than men to secure financial capital from formal external sources like venture capitalists (Terjesen et al., 2016).

The World Bank (2021) asserts that among the challenges that women entrepreneurial exporters face are a “lack of information and knowledge of cross-border regulations and procedures, lack of physical security at border crossings, exposure to harassment and gender-based violence at borders, and corruption”. An in-depth analysis of each challenge revealed that South African women traders (45 per cent) find it more difficult to access information than men traders (34 per cent) because government information retrieval systems are not user-friendly.

Given this concerning evidence, there is clearly a need for an in-depth investigation into women’s experiences in international trade (World Bank, 2021), particularly as
more women entrepreneurs are looking to internationalize (export) in the early phase of their business development process (Orser et al., 2004; Ratten and Tajeddini, 2018). A recent review of the literature on women entrepreneurship and internationalization (Moreira et al., 2019) revealed that, while scholarship in this domain is growing, there is still much to be learned. In addition, Ratten and Tajeddini (2018) warn that “current research about internationalization might have a gender bias that assumes a male perspective without taking into account women entrepreneurs”. Looking through a gender lens, Brush et al. (2009) and Welter (2020) expose the structural and cultural difficulties that women entrepreneurs face in an international trade context. Rates of internationalization among women entrepreneurs have been shown to differ, depending on their cultural persuasion. In developing countries, for example, women have been constrained by social stereotypes, but enabled by social networks (Moreira et al., 2019). Indeed, the Global Entrepreneurship Monitor’s (GEM) 2021/22 Women’s Entrepreneurship Report illustrates that women entrepreneurs are 24 per cent more likely to focus on their domestic markets than international markets compared to their male counterparts. The report shows that on average, women represent only one in every three entrepreneurs that have more than 25 per cent of their customer base beyond their borders. This, however, varies by country income level, as more entrepreneurs (43.7 per cent) from upper-middle-income countries are export-oriented than those from low-income countries (31.4 per cent). The report notes that regionally, the differences “vary even more”. For example, 21.1 per cent of export intensive entrepreneurs in Central and East Asia are women compared to 45.8 per cent in Latin America and the Caribbean (GEM, 2022).

Women make up 41 per cent of “total entrepreneurial activity” in South Africa (Bowmaker-Falconer and Herrington, 2020), and the ratio of female to male entrepreneurial activity has recently achieved a relatively high level of 0.861. However, the South African entrepreneurial ecosystem does not compare well to the rest of the world, with South Africa ranking 39 out of 50 countries for sufficiency of financing and 46 out of 50 for ease of access to financing (Bowmaker-Falconer and Meyer, 2022). For women entrepreneurs particularly, support services are considered by expert ratings to be well below global averages, that is, 3.78 compared to 4.32 (Bowmaker-Falconer and Meyer, 2022).

The study presented in this chapter responds to the need for more in-depth research on women’s entrepreneurship, which holds considerable potential but is insufficiently understood. We not only adopt a gendered perspective of entrepreneurial ecosystems, but do so from an international perspective, thereby contributing to the sparse literature on international entrepreneurship ecosystems in general and providing new insights on women’s internationalization efforts.
Entrepreneurial ecosystems in an international context

Building on other scholars’ conceptualizations of entrepreneurial ecosystems, including Isenberg (2010) and Neck et al. (2004), Stam (2015) synthesize various insights to develop a new holistic model. Stam’s model (2015) views the entrepreneur as the focal point and creator of the ecosystem (Velt et al., 2018). Indeed, Stam (2015) emphasizes that “entrepreneurs (being visible and connected) are considered to be the heart of a successful ecosystem”. Leendertse et al. (2022) recently defined an entrepreneurial ecosystem as one that “comprises a set of interdependent actors and factors that are governed in such a way that they enable productive entrepreneurship within a particular territory”.

Stam and Van de Ven (2021), in turn, propose an integrative model of entrepreneurial ecosystems consisting of ten elements and entrepreneurial outputs. The ten elements are operational constructs of the broader concepts of institutions and resources in an entrepreneurial ecosystem. Productive entrepreneurship, or new value creation, is perceived to be the output of the entrepreneurial ecosystem.

The first two elements are formal institutions and informal institutions, which reflect the “rules of the game” in society (North, 1990). While the rights and obligations of formal institutions are embedded in laws and regulations, such as property rights and bank lending policies, informal institutions reflect intangible norms and values that shape the cultural context in which entrepreneurship is practised in a society (Lee et al., 2016; Stam and Van de Ven, 2021). In their interactions with these institutions, women may be treated differently from men. For example, women entrepreneurship tends to be more prevalent in societies that are more tolerant of women’s involvement in economic activities outside the home (Lee et al., 2016). In the case of exporting, this would include women working irregular hours and engaging in foreign business travel (Lee et al., 2016; World Bank and WTO, 2020).

The third element is networks of entrepreneurs and their businesses. These networks facilitate flows of information and knowledge, labour and capital. The network nodes represent the actors, which could be individuals or organizations (Velt et al., 2018). Spence et al. (2011) attach importance to “social capital”, since social networks act as communication channels that facilitate the acquisition of experiential knowledge. Catanzaro et al. (2019) state that “building contacts with foreign markets and key actors through participation in international trade shows and events or prospecting missions” is important for exporters to develop networks. Where women entrepreneurial exporters lack access to existing international networks, they need to rely on their personal networks. Yet the World Bank and WTO (2020) aver that women have limited access to professional and social networks that could support their export endeavours. Women’s networks tend to comprise other women, which inherently limits their exposure to international contacts. This is because women tend to prioritize (because of time constraints) existing family relationships over a desire to forge new business relationships.

The fourth element is physical infrastructure. Van Eldik and Viviers (2005), in assessing the export readiness of a selection of South African businesses, emphasize the importance of sufficient production capacity to meet export demand. More broadly, too, a conducive business environment is critical if production is to increase.
The fifth element is demand (Stam and Van de Ven, 2021), which is the ability of buyers to purchase goods offered. Export promotion agencies play an important role in helping entrepreneurs to grow their businesses internationally through the identification of potential export markets with a growing demand for their products. This can be done efficiently through the application of the Decision Support Model, a market selection tool (see Steenkamp et al., 2012). Rosenbaum (2019) points out, though, that women entrepreneurs need support in the form of subsidized programmes to improve their prospects of business success, both domestically and internationally.

The sixth element is leadership. Sui et al. (2022) are of the view that fewer women than men venture into foreign markets because they tend to be more risk-averse than men. However, Welch et al. (2008), in interviewing 20 Australian women exporters, found that these women had a positive attitude towards exporting and saw it “as a life-changing experience that allowed the women to grow personally as well as grow the business and succeed as exporters”. Interestingly, Terjesen and Elam (2012) point out that women entrepreneurs tend to be more motivated by social goals than generating a profit.

The seventh element is human capital, more broadly defined as talent for productive entrepreneurship, which includes the “skills, knowledge and experience possessed by individuals” (Velt et al., 2018). The World Bank and WTO (2021), reporting on the results of several surveys that they conducted on gender-based discrimination faced by women entrepreneurs, indicate that women are often perceived as “less able to work under pressure or on a team, lack up-to-date knowledge and skills, lack innovative attitudes, exhibit more risk aversion in seeking finance, have less time for learning and networking, or have less physical strength”. These misconceptions diminish women entrepreneurs’ credibility, which in turn negatively impacts “their ability to raise start-up funds, attract clients or business partners, and ultimately export”.

The eighth element is finance, which is an important condition for the growth and continued survival of small businesses (Velt et al., 2018). Funding support enables SME exporters (who invariably have limited financial resources) to develop the necessary capacity to grasp available export opportunities (Catanzaro et al., 2019). Women entrepreneurs, among whom there is a high demand for export financing, find it difficult to access such finance. They experience higher rejection rates than their male counterparts and consequently are more likely to seek alternative sources of funding (World Bank and WTO, 2020). According to Rosenbaum (2019), women tend to fund their businesses themselves, which can be a serious constraint to growth.

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The ninth element is knowledge, which is necessary if entrepreneurial opportunities are to be recognized and acted upon. When internationalizing, entrepreneurs require a great deal of information on export processes, procedures and regulations, which is typically available from government export promotion agencies. Lederman et al. (2010) list various types of information-based support services, such as exporter training, technical assistance and guidance with regulatory compliance. A recent study conducted by the World Bank (2021) on cross-border traders in South Africa revealed that official information on export regulations and procedures is often scarce and/or difficult to access. This problem is felt more acutely by women traders than by male traders. As a result, women rely more heavily on personal networks and service providers such as customs agents for information than men. Ultimately, women would benefit from tailor-made assistance, as it would enable them not only to enter foreign markets (Rosenbaum, 2019) but also to subsequently “build muscle”, enabling them to diversify their export markets and generate better returns (Nguyen et al., 2022).

The tenth element is intermediate (support) services, which can remove many obstacles and quicken the pace of new value creation (Velt et al., 2018). Central to entrepreneurial ecosystems are the various public and private actors, such as government entities and venture-oriented professionals (bankers, venture capitalists, lawyers, consultants and accountants) who can help entrepreneurs grow their businesses (Kansheba and Wald, 2020). In an exporting context, freight forwarders, customs brokers, inspectors and other intermediaries play an important role in trade facilitation, using their networks in different parts of the world (World Bank, 2021).

**Research design and methods**

This study adopted a qualitative, narrative research design to better understand the lived experiences of women entrepreneurial exporters in the South African context. We considered this research design, which is becoming increasingly popular in entrepreneurship research (Singh et al., 2015), to be particularly appropriate for two reasons: first, it would contribute new insights to a research domain that is currently dominated by large-scale, quantitative studies of phenomena; second, it would enable us to arrive at a deeper understanding of the experiences (Andrews et al., 2013) of individual women entrepreneurs. Narrative data gave us insights into the way in which participants extracted meaning from events that occurred over time. In other words, they revealed the connection between the women entrepreneurs’ agency and the broader context in which they lived and worked.

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The sample comprised 19 women founders of businesses that were already trading internationally or were preparing to do so. The authors adopted a criterion sampling strategy to ensure that we interviewed women entrepreneurs who: were in established businesses (defined as operating for more than 42 months); had begun to trade internationally; traded with more than one customer or destination country; operated in a cross-section of industry sectors; and were based in South Africa.

South Africa suffers from a relatively low rate of entrepreneurial start-ups at 10.5 per cent of the population (compared to 11.3 per cent in other similar economies) and at 13.9 per cent of the adult population discontinuing business activity, a relatively high rate of entrepreneurial failures, compared to 9.8 per cent in other similar economies (Bowmaker-Falconer and Meyer, 2022). The World Bank ranks South Africa 84th overall on its Doing Business Index and 145th on the “Trading across borders” dimension, which highlights the real or perceived difficulties (in terms of time, cost and capacity) associated with exporting from South Africa (World Bank, 2020).

The participants in the study were sourced through the alumni network of a Johannesburg-based business school and through various other business and industry-based associations. Some participants referred us to other potential participants. Data were collected by interviewing participants individually via online platforms, thereby minimizing disruptions and ensuring that the sample had a national footprint. Each interview lasted between 45 and 60 minutes and was recorded and transcribed in preparation for later analysis. Data were analysed using the conventional content analysis method (Hsieh and Shannon, 2005), which involved a system of so-called first and second-cycle coding (Gioia et al., 2013) to identify notable patterns and themes in the data. Individual narratives were constructed and compared with other narratives to arrive at the findings.

Findings

The study’s findings centred on the women participants’ narratives about the entrepreneurial export ecosystem. They shared their collective insights on their interactions with the ecosystem, both as creators and users. The analysis of their reflections generated a number of themes, which highlighted both the challenges and the enablers of their entrepreneurial export activities.

**Women entrepreneurial exporters’ agency**

There were several similarities in the ways the women entrepreneurial exporters described themselves. These personal characteristics appear to have emerged or been developed over time and through experience to cope with the complexities of dealing with three major challenges: being a woman in business; starting and running an entrepreneurial enterprise; and engaging in exporting. The women developed several strategies for confronting discrimination in the form of “being undermined” (Interview 7) and “not being taken seriously” (Interview 16). Among their strategies were “to be tough” (Interview 1), or “to fight”, “to work harder” or “to develop your negotiation skills” (Interview 12). Not surprisingly, perhaps, the women described themselves as “go-getters”, “determined” and “tough” (Interview 19), often linking these characteristics to the need for self-confidence and a desire to “make things happen” (Interview 15).
Almost all the participants interviewed displayed high levels of energy and commitment. Interestingly, some participants reported that their ability to persevere and overcome challenges, such as “corruption” (Interview 8) and “discrimination” (Interview 7), was fuelled by their passion for the businesses they had founded. Several participants attributed this passion to a love for the country (Interview 12), their industry (Interview 1) or their product (Interview 3). Others attributed it to the positive social or environmental impact that their businesses were having or could potentially have (Interview 15). While these entrepreneurs made and shipped products to foreign markets, they were primarily concerned with value creation in the communities in which they operated. Several participants indicated that women played a key role in social value creation (Interview 4).

Given their passion and energy, it is not surprising that the entrepreneurs in this study were highly proactive and agentic in accessing and growing export markets. Although in some instances the exporting idea came from a government agency, in most cases participants reported being drawn to export markets either because they wished their businesses to make an impact, such as “saving lives” (Interview 13), or because of the scale of the opportunity presented by export markets. However, participants reported that executing an export strategy “takes time, it does not happen overnight”. They said that entering the export domain takes two to three years of preparation and planning (simply to get to grips with the complexities of the task and to develop the necessary relationships) “before you get your first order. It’s a lot of push and pull, it’s a lot of effort” (Interview 16). The challenges associated with the process mean “you need to look deep and know deep” (Interview 10).

**Invisible support for entrepreneurial exporters**

The interview data showed that official (government) support for international traders in South Africa is “invisible” to most potential users of such services. The majority of participants were not aware of an export ecosystem comprising different actors, although they had heard, from others in their networks, that the government offered various types of export assistance.

> “Then I found out through different channels that there were people like Trade and Industry, SEDA [Small Exporter Development Programme] that could assist you to learn about the export space” (Interview 6).

Some of the support services that the government, as part of the export ecosystem, offers are hosting of exhibitions, facilitation of foreign market access, and funding. While the participants were broadly aware of these services, they felt that they need to be more integrated. Another problem is that the specific services offered by government agencies differ from one province to the next:

> “Everybody’s doing their own thing and I understand they’ve all got their mandates, but there needs to be a more cohesive coordinating role” (Interview 19).

**Resources for entrepreneurial exporters**

During the course of the interviews, the participants shared their views on what they considered to be essential resources for business success and how readily available such resources were.
Funding was cited as a particularly worrying factor when it came to exporting, because “to go onto that arena we certainly do need a lot of financial backing up”.

*Export marketing assistance*

Participants perceived export marketing-related assistance from government agencies to be absent or at least inadequate because employees in government agencies “don’t have the expertise” (Interview 1) or “have long turnaround times” (Interview 17). A few participants noted that it was necessary to be very persistent with government agencies to get the information required and “to push a lot” (Interview 16).

*Export funding*

Most of the participants had not sought external funding. Instead, they had started their businesses “literally from my own pocket” (Interview 12) or had received funding from clients (Interview 1). One or two had been able to access grants or had won entrepreneurship competitions (Interview 9). By the time they felt ready to export, however, some participants were beginning to feel a strong need for external funding (Interview 7). The cashflow needed to finance export sales and the working capital needed to expand production capacity made external funding attractive. Nevertheless, most of the women entrepreneurs interviewed expressed a preference for growing organically (Interview 8).

Funding was cited as a particularly worrying factor when it came to exporting, because “to go onto that arena we certainly do need a lot of financial backing up” (Interview 17). The participants tended to be aware of the export funding options available, but those who had applied for funding were invariably unsuccessful. For example, one respondent, describing her attempts to apply for funding, said “you get declined all the time” (Interview 1). In some cases, applicants “had no collateral” (Interview 9), it was “too expensive” (Interview 4) or the process lacked transparency (Interview 8). Others had simply not applied, in the expectation that either the decision-making process would take too long or would deliver an unfavourable outcome.

*Conducive infrastructure*

Another reported challenge was acquiring the necessary infrastructure to ensure the success of their entrepreneurial ventures. The women entrepreneurs in the study, especially those in manufacturing, often started their businesses in their garage or kitchen. However, as the international demand for their products grew, they had to look for larger premises for manufacturing and storage purposes (Interview 9), and in some cases source machinery from abroad (Interview 18). An acute infrastructure challenge is “load shedding”. This refers to regular, planned power interruptions instituted by South Africa’s electricity supplier when the electricity demand in the country exceeds the supply, which means that the pressure on the national grid needs to be reduced. Load shedding represents a serious obstacle to small business efficiency in the country (Interview 1).
Intermediate services

The participants discussed the role of intermediate service providers in the exporting ecosystem. These included customs clearance agents, freight forwarders, local governmental agencies, embassies, trade/exhibition organizers, mentors and business advisors. While intermediate service providers can be valuable to exporting businesses, there are still challenges. Some of the participants spoke about being subjected to gender-based discrimination and extortion attempts by customs officials (Interview 8). Because of this, women often opt to use the services of private-sector agencies and freight forwarders or knowledgeable business partners to handle the clearance and dispatch of their goods internationally.

Digital platforms

A good website was considered essential, and some participants also relied heavily on social media for marketing purposes, with some respondents saying that “the first thing they (potential international buyers) ask you, please send us your social media handles” (Interview 2). Others attributed the reason for embarking on the export journey to queries from international buyers via social media, commenting, “that was how my desire was ignited. I started doing research about how we can do it” (Interview 7). Others noted that social media had “helped us to penetrate the Middle East market. It was LinkedIn” (Interview 10) experimenting with different platforms to find the most cost-effective “I started advertising on Facebook and that was the beginning of the spiral up” (Interview 20).

Access to information on export activities

Following their decision to venture into exports, most participants mentioned the need to “do your research”, which involved researching different markets, “especially the culture of the country” (Interview 6), understanding their value chain structure and preferences “because each country is different” (Interview 14), and “understanding the competition internationally” (Interview 4). The entrepreneurs themselves conducted this research, which often revealed the need for product adaptations to satisfy market requirements. In many cases, various accreditations, such as the International Organization for Standardization, were also required, which called for consultations with experts (Interviews 6 and 19) or “a host of mentors” (Interview 3). Another mentioned activity was the registration of intellectual property rights (such as a trademark) in South Africa and the export destination country (Interview 12). Securing the necessary certifications was reportedly very onerous, with the entrepreneurs having to be “extremely, extremely careful that you are ticking every box” (Interview 16).

Some participants said they had learned the hard way, through experience. Others said they had attended short courses offered by government agencies, but had found them to be unhelpful and lacking in depth and detail (signalling inadequate knowledge on the part of the presenters).

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**Building of networks**

Most of the participants said that they had quickly learnt that establishing and maintaining relationships was essential for export success. Exhibitions and trade fairs hosted by and paid for by government agencies, embassies and consulates were regarded as especially valuable because they “open doors” (Interview 4). However, they are expensive to attend (Interview 15), despite the government providing financial assistance (Interview 15). Of course, initiating introductions and accessing opportunities is only part of the story. “It’s how you build the relationship” (Interview 4) that matters, which needs to be managed over time because “people buy from people, you know; it’s all about the relationship” (Interview 12).

Many of the women entrepreneurs interviewed reported that they were members of various networking groups established by local development organizations and chambers of commerce, among other entities. Participants indicated that they greatly valued the personal and business support services provided to these networking groups, as they offered a point of contact with other women entrepreneurial exporters, from whom they could learn a great deal (Interview 17), while also being a source of business advice, export market opportunities (Interview 3) and emotional support (Interview 6), especially if they were treated in a discriminatory manner.

**Access to market opportunities**

While government agencies opened doors to networks and international business opportunities, the women entrepreneurs acknowledged that they had to explore the opportunities on their own, doing their own secondary research, attending exhibitions and personally visiting markets. Participants said that they constantly checked global trends in different sectors as well as the challenges that ordinary citizens in other countries face. For example, one respondent said that she would like to replicate her exporting model “into India, South America, China, wherever people are poor, and there’s malnourishment” (Interview 15).

In the pursuit of export opportunities, the choice of country and product may be influenced by the competition in the foreign market (Interview 4), the host country’s interest in the export product (Interviews 5 and 9) and the financial and operational risks in the market (Interview 8). The general consensus among the participants was that identifying and retaining international clients is very challenging.

**Institutional shortcomings**

The quality of institutions in South Africa and foreign markets has a significant influence on export motivation and success among entrepreneurs. One of the participants mentioned that the South African government is doing more to support women entrepreneurs (Interview 20). However, the relatively weak institutional environment in the country makes women exporters vulnerable to various forms of business misconduct, such as corruption and discrimination.

“That’s why you just walk away and say, you know what, it’s fine, let me leave it; I will deal with this project on a small scale. Then you have somebody who is honest and transparent and says to you, look here, we want your product; we want your product” (Interview 8).
In addition to understanding the local context, participants mentioned that they had to become familiar with the institutional environment of the export destination countries, including their industry regulations and trade policies.

**The entrepreneurial export ecosystem**

The study's findings revealed that women entrepreneurs who engage in exporting are highly agentic and proactive in preparing themselves and their businesses for international success. They are resilient and optimistic (perhaps because of the passion they have for their business and product) and exhibit high levels of individual leadership, as evidenced in their grit and determination as well as their willingness to tackle many export-related challenges head on. These attributes are key features of an entrepreneurial export sub-culture, which must be sustained if its members are to overcome the barriers to export that they routinely encounter.

As revealed in the study, exporting – especially for women entrepreneurs in the South African context – is not for the faint-hearted. Once they have decided to venture into exporting and have done some initial research, women entrepreneurs may reach out to mentors or peers in their existing networks for advice and guidance, but their input is seldom sufficient; other sources of information and assistance are required, with a key priority being to establish the likelihood and nature of demand in various export markets.

What should be important sources of information on export market opportunities, procedures and regulations are government export promotion agencies. However, they are often “invisible” to entrepreneurs if the latter are not targets of government communication campaigns. Although the government organizes and subsidizes trade shows and missions in foreign markets, participants’ costs are not fully covered, making the whole exercise expensive for entrepreneurs. Furthermore, such events serve only as an introduction to potential foreign markets, agents and/or buyers; entrepreneurs themselves are responsible for their own marketing activities and contractual undertakings if market opportunities translate into actual business dealings. Although export finance is available in many quarters, the women entrepreneurs in this study found that they were discriminated against – for being small, for being women, or both. Women entrepreneurs often use their own funds to start up an export venture, which can ultimately slow their progress and limit the scale of the venture.

Another problem that entrepreneurial exporters face is institutional shortcomings, particularly in the public sector, which discourage some entrepreneurs from going into exporting in the first place or, if already active internationally, from taking steps to expand their export operation. Yet many women entrepreneurs remain committed to forging ahead, despite the many challenges, using their own initiative and experience as their training ground and nurturing relationships with other women entrepreneurs involved in exporting.

Against the backdrop of a challenging “mainstream” export ecosystem, a shadow entrepreneurial export ecosystem has begun to emerge – one that caters to the needs of women entrepreneur, in particular, who feel marginalized in the formal institutional environment and have built alternative networks which they leverage to find out about export markets and market opportunities, to understand export procedures and regulations, and to source export
support services. This export ecosystem for entrepreneurs offers solutions where there were previously constraints.

This shadow entrepreneurial export ecosystem is displayed in Figure 1. It is underpinned by five elements.

First, the entrepreneur plays the central role in identifying multiple actors in the export ecosystem and framing how it should function. In their conceptual analysis of the entrepreneurial ecosystem in Africa, Sheriff and Muffatto (2015) assert that a bottom-up approach is needed, where the ecosystem is “created for” and is “used by” entrepreneurs. Other scholars concur, saying that entrepreneurs are both the users and creators of the ecosystem (Spigel and Harrison, 2018; Stam, 2015) and that their very presence gives the ecosystem legitimacy (Thomas and Ritala, 2022).

Second, there is a strong focus on creating abundant market opportunities. This is mainly achieved through energetic networking with a wide range of peers and intermediaries in the export value chain. Women entrepreneurs need to devote considerable time and energy to networking so that they can overcome traditional, gender-based constraints to market access and assume control over their own export momentum and success, which in turn will be an important source of affirmation for them.

Third, it is important for entrepreneurs to collectively build and leverage multiple networked relationships, rather than rely on the one-sided networks created by the government. This approach will unleash greater volumes of information and practical assistance in the areas of market identification and development, export financing, certification and logistics, among others.

Fourth, the expanded or multiple network approach allows more resources to be channelled into export-specific research, with the assistance of others in the entrepreneurial ecosystem. In time, this will help to build capacity among entrepreneurs, which should enhance their export efforts and results.

Fifth, as government entities in the “mainstream” export ecosystem are under-resourced, the shadow ecosystem helps to overcome these resource constraints by creating its own resource bank for entrepreneurial exporters, affording them access to intermediate service providers offering export financing, marketing and logistics assistance, business consulting, training, digital support and even emotional support.

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Figure 1: Entrepreneurial export ecosystem

Source: Authors' own compilation.
Conclusion and policy recommendations

This study offers important insights on the status of women entrepreneurial exporters in South Africa and their place in the overall export ecosystem. As such, it contributes to the body of knowledge on entrepreneurship in exporting, with specific reference to the challenges that women entrepreneurs face when attempting to tap the resources available in the export ecosystem. The study also provides a number of policy recommendations, based on the underlying study’s findings.

First, from an academic perspective, this study addressed a significant research gap, which is how the export ecosystem shapes women entrepreneurs’ export experiences and influences their ultimate success. By recording and reporting on the lived experiences of women entrepreneurial exporters, which they shared in personal interviews, the study has laid the foundation for the development of new theories in support of a more gendered approach to the design of export support measures for entrepreneurs (Brush et al., 2009, 2019).

Second, the existing literature on international business and entrepreneurship focuses mainly on quantitative measures of internationalization decisions and the factors that influence such decisions (Donnelly and Manolova, 2020). Although some studies on women entrepreneurship in an international context have used qualitative research measures (questionnaires and interviews) (Moreira et al., 2019), most have had implicitly structured research designs. This study, however, adopted a rich narrative approach to allow women to construct and share their own experiences. Moreover, the narrative design was anchored on some of the African storytelling techniques. The application of African storytelling techniques showed that robust, context-specific data collection methods can contribute to the development of new theoretical insights.

Third, the study provided the inspiration for a number of policy recommendations to support women entrepreneurial exporters in a developing country context. Previous studies have shown that internationalized firms require home country support (Le Bas and Sierra, 2002). The findings from this study will therefore be of value to international business support institutions tasked with helping entrepreneurs deal with institutional challenges in their home countries and/or export markets. If the shortcomings in the “mainstream” export ecosystem can be addressed, more women entrepreneurs would be inclined – and able – to start exporting. Strengthening the entrepreneurial export ecosystem and integrating it into the “mainstream” export ecosystem would go a long way towards building a strong corps of women entrepreneurs who in turn will, collectively, enhance the country’s export performance.

There are many impressive initiatives in place to help entrepreneurial concerns determine their export readiness, identify markets, arrive at optimal export prices, find buyers and comply with various regulations and standards. However, government-led initiatives and support measures are often “invisible” to or do not address the specific needs of new or prospective women entrepreneurial exporters in South Africa. As a result, such entrepreneurial exporters have often resorted to building their own, more diverse networks that are in tune with their aspirations and resource limitations.
In the light of the above, the authors offer the following five key policy recommendations.

First, export support measures and programmes should be made available in an online format, wherever possible, using provincial export promotion agencies’ websites and digital platforms. For example, interactive, online awareness programmes could be run, supplemented by in-person training workshops, which should be regularly advertised on the agencies’ websites. Even market selection tools, which have become increasingly user friendly and accessible online, could be made available to women entrepreneurs via these platforms to assist them in identifying optimal export markets.

Second, more public–private partnerships should be created using the services of export consultants, to mitigate against capacity constraints in government export promotion agencies. However, many women entrepreneurs would both prefer and benefit from a more “hands-on”, tailored approach which would address their immediate needs (Lee et al., 2011; Rosenbaum, 2019). Such assistance could form part of these suggested public–private partnership packages or be accessed through the more organic networks that characterize the entrepreneurial export ecosystem. Third, government export promotion agencies should embark on a serious drive to link entrepreneurs with value-driven, information-rich networks that will help them boost their export capacity and competitiveness. In that regard, the authors agree with Rosenbaum (2019) that the provision of online, on-demand export coaching services would be a time-efficient and cost-effective way for entrepreneurs to obtain tailor-made advice and assistance. Women entrepreneurs engaging with women coaches would be particularly valuable, as they understand and can empathize with women and their challenges in ways that men may not be able to.

Fourth, government export promotion assistance should be extended beyond facilitating initial contact and introductions to export value chain actors at trade fairs and missions. Assistance could also be directed at post-event activities, with the focus on turning export enquiries into firm orders and, ultimately, sustainable business. Suggested areas of support include providing guidance on formalizing export contracts with selling agents, distributors or buyers, and facilitating contact with export standards bodies, training providers, and reputable freight forwarders and customs clearance agents. Such added assistance would best be provided by private-sector experts, working in partnership with the export promotion agencies.

Fifth, government, through its relevant agencies, should adopt a more progressive stance towards women entrepreneurs in the export field, removing obstacles (such as a lack of transparency in funding criteria) to their obtaining grants and other forms of government funding. Not only will this help entrepreneurs to make earlier and more confident inroads into foreign markets, but it will also put them in a stronger position if and when they seek financing from banks and other commercial institutions.

Exporting will always be a complex field, given the multitude of players and the lack of uniformity in countries’ regulations and procedures. It poses particular challenges to women entrepreneurs, given the many conflicting demands on their time, their limited resources and their vulnerability to discriminatory treatment by both public and private-sector entities. That is why the concept of an entrepreneurial export ecosystem is so important, as it provides a conducive environment for the sharing of knowledge and resources, thereby circumventing many traditional barriers to entry.

While an entrepreneurial export ecosystem should be actively supported, one must hope that, in time, it will converge with the “mainstream” export ecosystem, once entrepreneurs’ pivotal role in the economy is recognized and fully supported.
REFERENCES


