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**DAILY EDITORIAL  
ANALYSIS**

**TOPIC**

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**E-commerce For Women**

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## E-COMMERCE FOR WOMEN

### Context

- Recently, it was highlighted that there is a **gender gap in use and access to e-commerce platforms** despite several benefits for women and there is a need to address the issues revolving around 'e-commerce for women'.

### E-commerce for Women

- E-commerce has revolutionised the way businesses operate, offering unprecedented opportunities for entrepreneurs worldwide.
- For women, in particular, e-commerce presents a unique platform to overcome traditional barriers and achieve economic independence.
- E-commerce platforms provide women with instant access to a broader market, enhancing efficiency and productivity. These platforms integrate marketing tools, payment capabilities, and logistics services, enabling rapid business scaling and higher returns on investment.
- Additionally, e-commerce offers flexibility, allowing women to balance their entrepreneurial ventures with other responsibilities, such as caregiving.

### Economic Potential of Women in E-commerce

- '*Assessing the Net Impact of e-Commerce on Employment and Consumer Welfare in India*' report by the **Pahle India Foundation (PIF)** has highlighted the significant impact of e-commerce on employment in India.
  - ♦ According to the report, online vendors have generated a remarkable **15.8 million jobs, including 3.5 million jobs for women.**
- According to the **International Finance Corporation (IFC)**, closing the gender gap on online platforms could inject billions of dollars into the global economy.
- For instance, in Africa and Southeast Asia, equal participation of women in e-commerce could add approximately \$300 billion to the market value by 2030.

### Challenges

- **Digital Literacy:** A significant gender gap exists in the use and access to e-commerce platforms, particularly in the **Asia Pacific (APAC) region.**
  - ♦ Women often face challenges such as **limited digital literacy**, lack of access to financing, and socio-cultural barriers that hinder their participation in the digital economy.
- **Limited Access to Funding and Market:** Women-led e-commerce startups often struggle to secure funding. Venture capital firms tend to invest more in male-led businesses, leading to a significant funding gap.
  - ♦ Reaching a broader market can be difficult due to limited networking opportunities and the dominance of established players in the e-commerce space.
- **Gender Bias and Discrimination:** Women frequently encounter stereotypes and biases that can impede their career advancement and opportunities for growth. This includes biases from investors and within the workplace.
- **Structural Barriers:** Policy initiatives often fail to address the structural barriers **linked to cross-border trade** like cross-border payments and return-consignment related issues.
  - ♦ On average, women-owned firms operate with smaller and less-diverse networks than men and have less access to information.
- **Logistical and Technological Challenges:** Managing logistics, such as shipping and inventory, can be more challenging for women who may have limited resources and support systems.
  - ♦ A lack of technology skills and access to digital tools can also be a significant hurdle for women entrepreneurs in the e-commerce sector.

- **Work-Life Balance:** Balancing work responsibilities with family obligations can be particularly challenging for women in e-commerce. In some regions, societal norms and gender biases can restrict women's participation in business activities, limiting their opportunities for growth.
- **Regulatory and Compliance Burdens:** Non-tariff measures (NTMs) and other regulatory requirements can disproportionately affect women-led businesses, adding to their operational costs and complexities.
- **Lack of Networking and Mentorship Opportunities:** Women may have limited access to professional networks and mentorship, which are crucial for business growth and development.
- **Security Concerns:** Online security and privacy issues can be a significant concern, especially for women who may face higher risks of cyber harassment and fraud.

### Policy initiatives Supporting Women

- Many governments across the **Asia Pacific (APAC) region** have initiated programmes to empower women through e-commerce and technology.
- In **Bangladesh, the Tottho Apa Project**, led by Jatiyo Mohila Sangstha, aims to empower women through ICT, creating approximately 100,000 female entrepreneurs annually, with 15,000 already on-boarded on the e-commerce platform 'Laalsobuj' by 2021.
- Another example is of the '**Connecting Women to the Digital Economy**' initiative launched by the Philippines and supported by the USAID has helped 380 women establish online stores, generating significant sales, as of 2021.
- International organisations like the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and the European Investment Fund (EIF) have partnered to enhance e-commerce access for women entrepreneurs in South Asia through capacity building/training.

### Government Support

- **Mahila E-haat:** Launched by the Ministry of Women and Child Development, this platform allows women to showcase and sell their products online.
  - ♦ By 2016, it had registered 300,000 entrepreneurs, facilitating transactions worth \$3.1 million.
- **Niryat Bandhu Scheme:** Under the **Ministry of Commerce and Industry**, this scheme supports training and capacity building for women entrepreneurs to export through e-commerce platforms.
- **E-commerce Facilitation Melas:** Organised by State missions like the Tamil Nadu State Rural Livelihood Mission, these events connect women self-help groups (SHGs) with e-commerce platforms to expand their market reach.

### Institutional Support

- **Amazon Saheli:** Launched by Amazon India in collaboration with SEWA and other NGOs, this initiative has empowered over 1.7 billion women-owned businesses and assisted 80,000 women artisans with training, marketing support, and financing.
- **Ubuntu Consortium:** This consortium brings together 45 women's entrepreneur associations from 10 states, providing skill development programs and training to 10,000 women in digital marketing.
- **Digital2Equal Initiative:** Launched by the **International Finance Corporation (IFC)** in partnership with the European Commission, this initiative aims to create more opportunities for women in emerging markets like India.

### Conclusion and Way Forward

- E-commerce holds immense potential for empowering women entrepreneurs, providing them with the tools and opportunities to succeed in the digital economy. While challenges remain, ongoing initiatives and success stories highlight the transformative impact of e-commerce on women's lives.

- To empower women entrepreneurs, APAC countries should implement policies tailored to their needs, prioritising digital literacy, e-commerce training, skill development, capacity building, and social security. International organisations like UNESCAP can provide support by creating a platform for training and sharing of best practices.
- In India, the government can support training and capacity building for women entrepreneurs to export through e-commerce platforms by having certain provisions and schemes like the Niryat Bandhu Scheme, under the Ministry of Commerce and Industry.

**Source: BL**

### Mains Practice Question

**[Q]** How does the socio-economic-cultural context of India influence the gender gap in e-commerce, and what strategies can be implemented to empower women entrepreneurs in this sector? Suggest some policy measures.

